



Daily Report

Latin America

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Friday
6 October 1989

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Cuba

Shevardnadze Bids Farewell; Castro on Visit

FL0610011789 Havana Television Service
in Spanish 0000 GMT 6 Oct 89

[Text] The Soviet foreign minister saluted the Soviet diplomatic representatives in Cuba at the airport's tarmac and also responded to questions posed by reporters.

[Begin Shevardnadze recording in Russian with simultaneous Spanish translation] We held very thorough talks. There has been complete mutual understanding and comradeship. There has been complete agreement, full agreement of views on all the problems of the contemporary world: global, international problems. Regarding the building of socialism in Cuba and the processes taking place in the Soviet Union, there has also been mutual understanding, solidarity, and reciprocal support. Thus, the talks were magnificent. They took place in a very good atmosphere. [end recording]

Shevardnadze left after embracing the Cuban leader: Raul Castro, second secretary of the Communist Party of Cuba [PCC]; and Carlos Rafael Rodriguez, member of the PCC Politburo. Shevardnadze arrived in our country last night from Nicaragua on a regular stopover after visiting the United Nations. This is the fifth time the Soviet foreign minister has visited in Cuba. Shortly after the farewell, Fidel talked to reporters.

[Begin recording] [First reporter] Commander, how were the results?

[Castro] Very good. We had a complete briefing on the entire tour, of the matters discussed regarding the possibilities of international peace and disarmament. We also had news about Nicaragua. We exchanged views on many topics in a very good climate, good atmosphere.

[First reporter] Also on regional conflicts?

[Castro] Not on all of them because there are many in the world, but we discussed some of the main ones.

[Second reporter] Commander, did you discuss Panama? What is your view on...

[Castro, interrupting] We also briefed him. He gave us a briefing and we gave him a briefing on these matters and, especially, on our views.

[First reporter] What is your view on Panama?

[Castro] Well, we know what you know. We also know that, apparently, it was something organized by the United States. The rebels were in close contact with the Southern Command. In addition, some Southern Command units positioned themselves in strategic points to block reinforcements before dawn. Of course, I cannot give early reports. I believe the Panamanians are the ones who should do it. Apparently, Noriega was very courageous. I believe it was a trap. There was treason

while the Yankee helicopters were overflying the garrison. Perhaps, there was a kidnapping attempt with the conspiracy, with the complicity of some.

They have said he was very courageous despite the fact that, according to the news, he had to experience a very difficult situation. Apparently, he and his escort reacted. I believe all these elements will be known any time now.

We have had information from some eyewitnesses but there has been no official version. They should be the ones to give the official version. Apparently, Noriega's attitude and his personal behavior frustrated the coup. Of course, he had the loyalty of all the commands, all the troops, except the group that participated in the plot.

[First reporter] Commander, what is your opinion on how the situation in Central America is developing?

[Castro] I believe that the situation in Nicaragua is progressing well, that the international prestige of the Sandinists is strengthening. They constitute a considerable force inside the country. The electoral battle will come now. The Sandinists have the prestige, the banner of the fatherland and the revolution. They have experience and historic merits. They have a good organization. The opposition has represented the interests of the United States, foreign interests. I believe that, in general, the Nicaraguan situation is evolving well. Now, a chapter opens, which is this electoral process in which the United States is going to use all the resources, all the past, present, and future money to attempt to alter the result of that vote. They already did it in Panama.

[First reporter] Isn't El Salvador left somewhat unprotected in all this conflict?

[Castro] No, because the Salvadoran revolutionaries protect El Salvador.

[Second reporter] Commander, did you send a message....

[Castro, interrupting] They will not be abandoned as long as the revolutionaries protect their fatherland. They also have broad sympathy and international solidarity.

[Second reporter] Commander, did you send a message to Comrade Gorbachev with Shevardnadze?

[Castro] Well, not a special message. I sent greetings, wishes of success. In general, I asked him to inform Gorbachev of everything we talked about. [end recording]

Guyana's Green Views Meeting With Castro, Visit

FL0510182089 Havana Tele-Rebelde Network
in Spanish 1238 GMT 5 Oct 89

[Text] After a 2-week visit in Cuba, fulfilling a friendly and work visit, Guyanesa Prime Minister Hamilton Green has returned to his fatherland. During his visit, in addition to meeting with Commander in Chief Fidel Castro, president of the Councils of State and Ministers, he also spoke with officials and representatives of our

country. During those meetings, they discussed important matters related to the political and economic development of the two countries. The possibilities for increased cooperation was also a subject on his agenda.

Prior to his departure, the Guyanese prime minister gave his opinions about this visit.

[Begin recording] [Green in English with simultaneous Spanish translation] First of all, I found the visit to be very useful, informative, and invigorating. I found a Cuba that was on the move. The people are taking the logical steps to justify the efforts made by your commander in chief and all those who sacrificed themselves and worked to make the Cuban revolution a reality. I found people extremely healthy, happy. I visited the school in the interior yesterday and it was a very motivating experience. I found the young Cubans very excited about what they were doing, keen, and extremely joyous.

My discussions with your leadership were extremely useful, and I believe there is greater understanding that will help us to advance the cause of peace and solidarity in the Caribbean and Latin America.

[Mayra Viera] Could you tell me about what steps are being taken for cooperation between Cuba and Guyana?

[Green] Well, as I said to my good friend Carlos Rafael Rodriguez last night, we have excellent cultural relations. But as far as the two countries are concerned, and other countries in the region, it is extremely important that we sit down and work out the details so that we can give impetus to cooperation in the economic sphere. We must also discuss the exploitation of our national resources, as well as to seek ways to improving trade. In the case of Cuba and Guyana, we should expand, to its limit, the pharmaceutical industry which I believe has tremendous potential in the region.

In Guyana, there will soon be an officials' meeting which precedes the joint commission meeting that will be held in Cuba next year. I believe that those meetings will certainly advance the efforts to make full use of the desire, which your great leaders expressed, for maximum cooperation. That is not only the wish of the Cuban leaders, but also of the Guyanese. Therefore, I feel optimistic that these talks will be useful because the will for greater cooperation exists.

[Viera] Finally, so as not to abuse your kindness, you were received by Commander in Chief Fidel Castro. I would like to have your opinion of the Cuban leader.

[Green] Well, if I was to give my ideas about your Commander Fidel Castro, I could spend the next few hours speaking. However, I can say that I found him in extremely good spirits. It was very nice of him to hold a reception in my honor. It was also nice of him to attend the reception that our ambassador, Comrade Sakadeo, organized.

I benefited from our private discussions, and it has been really interesting the way he has made a clear analysis of

the world in general, and the way this world affects Latin America and the Caribbean.

He is a man with an unusual memory and an amazing ability to collect information and analyze it in a profound but simple way. I was glad to see him looking very fit. And, as I said, I was simply delighted to have talked with him. I got the impression that the leader was concerned that, even though, he had made this great progress in Cuba, he still wants to do so much more for the Cuban people. He has obviously set very high tasks. In my opinion, Cuba is an example of that effort, and I wish the Cuban leadership and people, all the best. I am confident they will succeed.

[Viera] We would like to thank you for your words to Cuban television, and wish you a good trip, much success, and a prompt return. [end recording]

Almeida Arrives in GDR, Welcomed by Axen

*FL0510213089 Havana Radio Rebelde Network
in Spanish 2116 GMT 5 Oct 89*

[Text] Commander of the Revolution Juan Almeida Bosque arrived today in Berlin at the head of a Cuban Communist Party [PCC] and Government delegation that will attend the events marking the 40th anniversary of the founding of the GDR. Almeida, who is a member of the Communist Party of Cuba Politburo and vice president of the Council of State, was welcomed by Hermann Axen, member of the Socialist Unity Party of Germany Politburo and Secretariat, and other leaders.

Risquet on 'Dangers' Facing Socialist System

*FL0510154589 Havana Radio Progreso Network
in Spanish 1700 GMT 4 Oct 89*

[Text] The struggle for peace and disarmament demands progress and a better life for the Third World. This was stated by Jorge Risquet Valdes, member of the Communist Party of Cuba Central Committee Politburo and secretariat.

The Cuban leader is on an official visit to Bulgaria after having attended the meeting for secretaries of communist and labor parties of socialist countries held in Varna. Risquet said to the press that, during the meeting, Cuba warned about the danger that the socialist system faces due to imperialist attempts to ideologically undermine it and take it into a peaceful transition to capitalism. He emphasized that communist and labor parties have agreed on that point, as well as on the need to act together and in accordance with the characteristics and positions of each socialist state.

More Internationalists Return From Angola

*FL0510190089 Havana Tele-Rebelde Network
in Spanish 1700 GMT 5 Oct 89*

[Excerpt] The fatherland has proudly received its sons who made the humane principle of internationalism a

reality in foreign lands. More than 550 of our brothers who have victoriously fulfilled their mission in the People's Republic of Angola were on board this flight. They were met at the airport by Jose Ramon Balaguer, secretary of the Central Committee of the Communist Party of Cuba, Brigade General Moises Sio Wong of the Revolutionary Armed Forces, Colonel Gabriel Alfonso Rodriguez [words indistinct] political and mass organizations. [passage omitted]

Dominican Republic

Wage Hike Insufficient; Riots, Strikes Continue

PA0510231289 Hamburg DPA in Spanish 2153 GMT
5 Oct 89

[Text] Santo Domingo, 4 [date as received] October (DPA)—One policeman wounded by gunshot, 10 businesses sacked, and 10 persons arrested is the toll so far this afternoon in disturbances in the northeastern part of the Dominican Republic, where police have clashed with demonstrators who were protesting a recent hike in the price of gasoline.

Police Lieutenant Juan de Jesus Peguero was shot in the right leg during a clash with individuals who were sacking several businesses in San Francisco de Macoris, about 140 km northeast of Santo Domingo.

According to reports, unruly mobs were sacking businesses after accusing the owners of speculating with the prices of staple items.

The cities of San Francisco, Nagua, Salcedo, Bonao, and Puerto Plata, all in the northern part of the island, were paralyzed today by 48-hour strikes to protest the government's decision to raise the price of a gallon of gasoline from 3.60 to 6.90 Dominican pesos (from 57 to 95 U.S. cents).

In Puerto Plata, the country's main tourist attraction, public transportation came to a standstill after the Single Workers Federation called a strike.

Meanwhile, the National Committee on Wages, a department of the Secretariat of State for Labor, raised the minimum wage from 600 to 700 pesos per month (\$1 equals 6.28 pesos) as a way to compensate for the hike in the price of gas. The committee also decreed a salary increase of 150 pesos for all those who earn more than the minimum wage.

Nevertheless, the country's main labor organizations rejected the increase and said that it was insufficient. Following the announcement, labor, popular, and peasant organizations—who were waiting to hear the government's decision—said the government was "ridiculing the people" and that they would be organizing protest movements.

The organizations announced that they are going to meet next week to discuss the possibility of a general strike, similar to the one that brought the country to a standstill in June.

Santiago, the country's second largest city, will also be paralyzed tomorrow by a strike called by a group of local organizations to protest both the hike in the price of gasoline and the salary increase decreed by the government.

El Salvador

Some 50 Activists Occupy Costa Rican Embassy

Ambassador Taken Hostage

PA0510181189 Paris AFP in Spanish 1756 GMT
5 Oct 89

[Text] San Salvador, 5 Oct (AFP)—Approximately 50 activists of the Salvadoran left, some of them armed with pistols, occupied the Costa Rican Embassy in San Salvador this morning and have taken Ambassador Jesus Fernandez and two other Costa Rican diplomats hostage, it was reported here.

The activists, including several women, broke into the embassy located on the 3d floor of the Centroamerica Building, in western San Salvador, at about 1100. Ambassador Fernandez told the newsmen.

The activists, who have their faces covered with handkerchiefs, said they are occupying the embassy to "denounce the violation of human rights" by the Alfredo Cristiani government.

Further on Occupation

PA0510195989 Panama City ACAN in Spanish
1830 GMT 5 Oct 89

[Text] San Salvador, 5 Oct (ACAN-EFE)—Some 80 members and supporters of the Federation of Committees of Mothers of Political Prisoners (FECMAFAN) today "forcibly" occupied the Costa Rican Embassy in San Salvador to denounce "the repression of the fascist government" of El Salvador.

Costa Rican Ambassador Jesus Fernandez, who considers himself a hostage, said that the embassy was "taken over by force by armed individuals" while all of its personnel and members of the public were inside the building.

A member of the FECMAFAN told newsmen that "the purpose of this occupation is to report to the government of Nobel Peace Prize winner Oscar Arias and other governments of the world, the repression to which the people's organizations in El Salvador are being subjected."

The FECMAFAN member added that the occupation is also being used to reach these governments to ask them to apply pressure on Salvadoran President Alfredo Cristiani to get him to ensure respect for human rights.

Ambassador Fernandez said: "There is no reason for this occupation, because I have always met with all sectors. This is hardly the treatment that should be given to a government that has shown extreme concern in seeking a negotiated solution to the Salvadoran conflict."

In addition to Ambassador Fernandez, Consul Humberto Murillo, Counselor Carlota de Lopez, and First Secretary Luis De Anda are inside the 54-square-meter office, as well as 10 persons who were seeking visas.

De Anda told ACAN-EFE that he was hit on the left hand when the occupiers tried to open his desk drawer.

The doors to the embassy, which is in a 10-story building in western San Salvador, are closed, and the offices are occupied by women with white scarves on their heads and youths whose faces are covered with scarves and glasses. FECMAFAN members, who claim that they are not carrying weapons, are guarding the elevator and the doors leading to the embassy.

However, Consul Murillo said he saw several youths armed with .38-caliber revolvers and explosive devices.

According to a FECMAFAN member, over the past 3 months, some 150 persons have been killed and more than 500 have been arrested or made to disappear.

One of the leaders of the group said: "We are protesting the limitation of freedom in El Salvador. If we take to the streets to protest we are arrested."

The ambassador said that he has not been able to get in touch with his government, because "I am being prevented from making phone calls and from leaving the embassy."

The occupiers allowed five people, including a pregnant woman, to leave the premises and said that they planned to stay in the embassy indefinitely.

Female Hostage Released

PA0510201589 Panama City ACAN in Spanish
1900 GMT 5 Oct 89

[Text] San Jose, 5 Oct (ACAN-EFE)—The group of hooded women and armed men who today occupied the Costa Rican Embassy in El Salvador has released one hostage so she could notify the Costa Rican Foreign Ministry, it was reported in this city.

Embassy Counselor Carlota Serrano de Lopez was authorized to leave the embassy, but Ambassador Jesus Fernandez, Consul Humberto Murillo, and First Secretary Luis De Anda are still being held hostage. De Anda told ACAN-EFE that he was beaten by the embassy occupiers.

Serrano de Lopez confirmed by telephone the violent takeover of the embassy and the fact that all personnel are being held hostage.

The Costa Rican Government has not reacted yet in the face of what is described as "an outrage against the diplomatic representation" of El Salvador, occupied this morning at about 1030 by 8 armed men and approximately 70 women who have their faces covered. The women belong to the Federation of Committees of Mothers of Political Prisoners.

Unofficial reports in San Jose, Costa Rica, say that the 10-story building housing the embassy in San Salvador has been surrounded by riot troops, who have not carried out any action yet.

Evacuation Begins

PA0510223689 Panama City ACAN in Spanish
2152 GMT 5 Oct 89

[Text] San Salvador, 5 Oct (ACAN-EFE)—Members of civic aid organizations have begun evacuating the members and sympathizers of the Federation of Committees of Mothers and Relatives of Political Prisoners who forcibly occupied the Costa Rican Embassy in this capital this morning.

The evacuation began at 1540 (2140 GMT) without any violence. There is strict police security in the area.

Envoy Still Held Hostage

PA0610010089 Panama City ACAN in Spanish
2340 GMT 5 Oct 89

[Text] San Salvador, 5 Oct (ACAN-EFE)—Today, relief organizations evacuated dozens of people who were locked inside "La Centroamericana" building in San Salvador where the Costa Rican Embassy is located. However, the embassy continues to be occupied by approximately 50 demonstrators.

Ambassador Jesus Fernandez and two other diplomats, as well as three Salvadoran television journalists, are still being held hostage.

Approximately 50 people left the building in which they were locked for 5 hours following the occupation of the embassy by members and sympathizers of the Msgr Oscar Arnulfo Romero Federation of Committees of Mothers and Relatives (FECMAFAM) of political prisoners and murdered and missing people.

The ambassador and other embassy officials still remain on the 3d floor of the building, which was surrounded by dozens of riot policemen expert in antiterrorist struggle, armed with high-caliber rifles.

Red Cross, Green Cross, and Relief Command members participated in the evacuation of the offices in the building.

Colonel Alejandro Sanchez, deputy director of the Salvadoran National Police, said that "the problem could be solved within the next 24 hours, but official sources ruled out the use of force.

Mauricio Sandoval, director of the Presidency's Communications Secretariat, went to "La Centroamericana" building, located in El Salvador's business district, to learn about the situation and described the occupation as a "propaganda act" in view of the fact that the second round of talks between the Salvadoran Government and the guerrillas, scheduled for 16 and 17 October in San Jose (Costa Rica), is drawing closer.

The FECMAFAM occupied the Costa Rican Embassy to protest "an increase in repression against popular organizations unleashed by Alfredo Cristiani's fascist government," FECMAFAM spokesmen said.

Most of those occupying the embassy are women wearing white scarfs and youths carrying wet handkerchiefs to avoid the effects of tear gas.

Sandoval disclosed that a working commission has been formed to maintain consultations with the Costa Rican Government "and is making pertinent contacts" to seek a quick solution to this problem.

The official stressed: "We will not begin negotiations" with the embassy occupiers, whom, according to the ambassador, are armed.

The presidential spokesman also reported that, in the wake of these incidents, Fernandez had a slight heart problem, but has already gotten over it.

According to this official, Fernandez' wife sent him medicine and food.

Sandoval announced that an official communique will be issued within the next few hours.

Demand Oscar Arias' Mediation

PA0610023689 Paris AFP in Spanish 0128 GMT
6 Oct 89

[Text] San Salvador, 5 Oct (AFP)—Approximately 50 Salvadoran leftist activists demanded the mediation of Costa Rican President Oscar Arias as a condition to leave the Costa Rican Embassy which they forcefully occupied on the morning of 3 October. [date as received]

Jamin de Fernandez, the wife of the Costa Rican ambassador, reported this to AFP over the telephone.

Costa Rican Ambassador Jesus Fernandez and two other diplomatic officials are being held hostage by members of the Msgr Oscar Arnulfo Romero Federation of Committees of Mothers and Relatives (FECMAFAM) of political prisoners and missing people. Some of these FECMAFAM members are carrying guns and incendiary bombs.

Initially, the FECMAFAM members, who include several women, said the embassy takeover was intended to "report the repression by Alfredo Cristiani's rightist government."

However, Mrs Fernandez, who remains in her home, said that this afternoon her husband phoned her and stated that the FECMAFAM people "demand to speak with President Arias so he will deliver a list of demands to Cristiani." The contents of this list is unknown.

President Arias is currently in California.

Cristiani on Government Proposal to FMLN

PA0610035289 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 5 Oct 89

[Interview with President Alfredo Cristiani by unidentified Radio Cadena YSKL reporter on 4 October; place not given—recorded]

[Text] [Reporter] Mr President, I have two questions for you. First, during your visit and meeting with His Holiness Pope John Paul II, did he talk about the investigations into Msgr Oscar Arnulfo Romero's assassination? Second, the opposition has said that your speech was demagogic and not very profound. This was regarding your remarks on an end to hostilities. Mr President, would you please comment on these two questions?

[Cristiani] Concerning your first question, the answer is no. We did not talk about this matter. Now concerning your second question, we did not discuss the issue of an end to the hostilities in depth because, during our meeting with the FMLN [Farabundo Marti National Liberation Front in Mexico City, we agreed that the details will be discussed in private. We will do this during the meeting in Costa Rica. The United Nations was not the forum to talk about what we are going to suggest to the FMLN in Costa Rica. However, there will be a UN representative at the meeting.

Now as to whether the speech was demagogic or not, you can decide that for yourself. We have supported our words with actions. We did not talk about anything that we are just planning to do; we talked about things that we are already doing, like the dialogue process, changes, economic recovery, and support for the Central American peace process.

More on Proposal

PA0510235189 San Salvador Canal Seis Television
in Spanish 0200 GMT 5 Oct 89

[Report by Nancy Perla]

[Text] Salvadoran President Alfredo Cristiani today ended his trip to Europe and the United States that began on 23 September. Upon his return from his trip, President Cristiani defended his proposal for an end to hostilities with the FMLN [Farabundo Marti National Liberation Front] as a starting point for the beginning of negotiations on the incorporation of rebels into the legal political process. The proposal the government will take to Costa Rica on 16 October, the main points of which President Cristiani broached at the United Nations, has been rejected, in advance, by the FMLN because it feels the proposal is more than an offer to negotiate peace and democratization. The FMLN believes this proposal represents a suggested surrender of the rebels. However, Cristiani denied that his proposal represents a suggested surrender of the FMLN, adding that an end of hostilities

on both sides prior to the upcoming negotiations would create an environment of peace for the country.

[Begin Cristiani recording] The other issues would be broached during the future meetings until an overall agreement is reached to incorporate the FMLN into the civilian and peaceful process. This is only aimed at creating an environment of total tranquillity in the country. It is only logical to think that if the FMLN is truly willing to reach a final agreement and join the process, then why would it object to ending the hostilities. The government would then adopt the necessary measures to normalize and bring calm to the country. [end recording]

Even though the president did not want to expand on the details of his proposal to the FMLN, he did say that it would include other points in addition to the one regarding the end of hostilities. This proposal will be made public in Costa Rica.

Regarding the heightening of the war in the past few days after the FMLN decided to resume sabotaging the power system and the economic infrastructure and to increase its attacks on military targets, President Cristiani said these actions are being carried out by the rebels because they feel it will give them more strength when they sit at the negotiating table.

[Begin Cristiani recording] The FMLN has always sought to create more violence prior to a round of talks because they feel that this will give them more strength around the negotiating table. The truth is that they launched an offensive even before I addressed the UN General Assembly, before anyone knew anything about the proposal. Therefore, I do not feel the communique is consistent with what the FMLN is doing. I feel that it is something strictly strategic on their part. [end regarding]

Regarding the situation of the 46 FMLN war disabled who yesterday entered the Mexican Embassy in San Salvador to request political asylum, Cristiani emphatically stated his opposition to Mexico's granting them safe conduct.

[Begin Cristiani recording] We are willing to let those people go. They cannot talk about persecution. They have been at the cathedral for over a month without anyone bothering them. We have even held events in the same area: we were at the Civic Square and they were in front of the cathedral. Therefore, they cannot claim that they are being persecuted or that they must seek asylum because of a problem. The problem is that they have not sent us the complete list for us to issue the amnesty decree. [end recording]

President Cristiani returned this afternoon from his trip to the United States where he addressed the 44th UN General Assembly in New York. Prior to his visit to the United States, Cristiani visited London where he met with Prime Minister Margaret Thatcher, the Vatican where he met with Pope John Paul II, and Rome where he met with Italian President Francesco Cossiga.

Assembly Grants Amnesty to FMLN War-Wounded

*P.10610044089 San Salvador Canal Doce Television
in Spanish 0300 GMT 6 Oct 89*

[Passages within quotation marks are recorded]

[Text] This afternoon the Legislative Assembly approved an amnesty for 167 war-wounded from the Farabundo Marti National Liberation Front [FMLN], who may leave the country in the next few days to receive medical treatment abroad. This decree also includes former FMLN fighters who are inside the Mexican Embassy.

The decree was unanimously approved after sitting for several weeks with the political commission of the Legislative Assembly. The amnesty benefits 167 FMLN war-wounded, who were included on a list sent by the Catholic Church to the assembly.

The amnesty is temporary and may later include all those wounded persons who wish to leave the country to receive medical treatment abroad.

[Unidentified person reading decree] "All those persons not mentioned in the first article of this decree may enjoy the benefits of the amnesty law. The war-wounded must also express their desire to accept amnesty and to leave the country as long as they do it within 30 days, which begins when this decree is made valid."

The law calls for the creation of a commission comprised of two representatives from the executive branch and two others from the legislative branch. They will hear the requests from those who are interested. They will study each case with discretion. Those who are interested will have 30 days to make their decision to accept amnesty.

The Legislative Assembly president [Ricardo Alvarenga] said the war-wounded at the Mexican Embassy may also enjoy the benefits of this decree.

[Alvarenga] "Actually they do not need to insist on political asylum and they do not need to request documents to leave the country. The logical thing is that they accept this amnesty, otherwise they will lose the grace period granted in this temporary amnesty law for the war-wounded."

The original bill submitted by the government a few months ago was modified by the political commission and it is possible that the occupation of the Mexican Embassy exerted pressure on the legislators to approve it.

Shortly before the decree was approved, opposition deputies pointed out that the FMLN war-wounded do need a special grace period to leave the country because they can resort to the Geneva treaties, which the Salvadoran Government has signed.

[First unidentified person] "You must not forget that this is nothing new. During the previous government the war-wounded were able to leave the country without problems. This group of war-wounded was about to leave the country before Jose Napoleon Duarte left power.

Unfortunately ARENA [National Republican Alliance] groups were opposed to it, and now they are paying the political cost of that decision."

[Second unidentified person] "We believe the war-wounded cannot leave the country under protection of an amnesty law unless they do not have their records in a certain court. They are not charged with anything, except that they belong to the FMLN. However, they are not involved in any crime, therefore there is nothing to forget or to pardon. The word amnesty means amnesia, to forget, and to pardon. Therefore we do not see why an amnesty should be granted for something that has not happened."

Despite this position, the decree was approved by 54 votes in favor. Christian Democratic Party and National Conciliation Party deputies approved the decree.

FMLN: Mexico Granting Asylum to 46 Fighters

*P.10610045389 San Salvador Canal Doce Television
in Spanish 0312 GMT 6 Oct 89*

[Text] The Mexican Government has decided to mediate with the Salvadoran Government so that the 46 disabled fighters and 2 nurses who have sought asylum at the Mexican Embassy in San Salvador can leave the country. This was announced today by an FMLN [Farabundo Marti National Liberation Front] spokesman identified as Mario Lopez, who said that the Mexican Foreign Affairs Secretariat will issue an official statement within the next few hours.

Lopez said that Mexico's mediation involves granting political asylum, and that only the 48 people who sought refuge at the embassy will leave El Salvador.

This afternoon the Mexican congress issued a statement expressing its deep concern over the ("fate") of the disabled Salvadoran fighters, and urged the Mexican Government to carry out the necessary procedures so the disabled fighters can leave El Salvador.

Attorney Francisco Lima, meanwhile, expressing his views about the request made by the disabled FMLN fighters who have sought refuge at the Mexican Embassy, said that the Mexican Government alone must decide if political asylum can be granted.

Nicaragua

Ortega on USSR Weapons Shipments, GDR Visit

*P.10510171989 Managua Domestic Service in Spanish
1200 GMT 5 Oct 89*

[Text] Nicaraguan President Daniel Ortega Saavedra announced that he will leave on 5 October for the GDR to attend the 40th anniversary of that country's revolution. He made those remarks during a Face the People meeting on 4 October with the residents of Catarina and San Juan Oriente villages. The goal of his trip to the

GDR and other countries is to obtain economic cooperation for our country, now that peace in Central America seems near.

During his Face the People meeting, he inaugurated several street lamps and handed out sports equipment and musical instruments to area residents.

President Ortega also said that the suspension for an indefinite period of time of the delivery of heavy weaponry was agreed on with Soviet Foreign Minister Eduard Shevardnadze. As a result of the meeting between the top-ranking Nicaraguan and Soviet officials, only ammunition and light weaponry will be received for the time being. If the United States stops waging war on Nicaragua, the arrival of weapons will come to a complete halt, Ortega noted. Nicaragua reserves the right to continue receiving the weapons necessary to defend the country if the mercenary aggression continues and if the Central American agreement is not complied with, he said.

Nicaraguan Vice President Sergio Ramirez had a Face the People meeting with over 3,000 residents of the city of Concordia, Jinotega Department, who said they will vote for the Sandinist Front for National Liberation. He also inaugurated a children's development center and a secondary school named for General Benjamin Zeledon on the occasion of the 77th anniversary of Zeledon's heroic death in defense of national sovereignty against the invading Yankee forces.

More on Ortega Statements

PA0510173689 Panama City ACAN in Spanish
1555 GMT 5 Oct 89

[Text] Managua, 5 Oct (ACAN-EFE)—Nicaraguan President Daniel Ortega said today that his government will ask the Soviet Union to suspend its shipments of light military equipment to Nicaragua "when the contra movement completely ceases its" armed "actions" in Nicaragua.

According to Ortega, in view of the fact that the Sandinist government's decision to receive Soviet light weaponry and ammunition "is legal," the decision to suspend that arms delivery will be made public once the decision is made.

The Nicaraguan and Soviet Governments agreed to continue the temporary suspension (until the 25 February 1990 elections) of Soviet arms shipments to Nicaragua in order to contribute to a total and definitive solution to the Central American situation.

Regarding the delivery of light arms and ammunition that Nicaragua has been receiving from the USSR, it was, however, clarified that the government of Managua will inform the public in case of new arms shipments.

Ortega spoke in Caratina, 45 km east of Managua, last night during the 77th anniversary of the death of General Benjamin Zeledon, who struggled against the U.S. interventionist forces in 1912.

According to Ortega, the U.S. Government "is beginning to have a different attitude" toward Nicaragua "since it admitted that it has been defeated."

Ortega, however, said that Washington continues supplying the armed, anti-Sandinist rebels "to launch attacks," such as the one carried out in the Chontales Department mountains on 4 October.

Ortega was referring to a clash that took place in central Nicaragua in which one Sandinist officer, five reservists, and another six soldiers were wounded as a result of an armed confrontation with the contras.

Ortega said: "We have agreed to suspend Soviet arms shipments to Nicaragua for an undetermined period of time, but other shipments of light equipment and ammunition will be suspended only when the counterrevolution completely suspends its actions."

Nicaraguan Defense Minister Humberto Ortega reported that in September Sandinist troops and contras clashed 128 times, resulting in 70 rebel casualties, including 45 killed.

Minister Ortega admitted that 18 Sandinist soldiers were killed during armed actions in September.

Minister Humberto Ortega added that the contras carried out 10 attacks against civilian targets in September, killing 8 people, wounding 3 others, and kidnapping 15 civilians.

Arms Shipments To Halt

PA0510224389 Managua Radio Sandino in Spanish
2010 GMT 5 Oct 89

[Text] In a "Face the People" program in Catarina on 4 October, on the occasion of commemorating the 77th anniversary of General Benjamin Zeledon's heroic death, President Daniel Ortega reported the details of the agreements signed with Soviet Foreign Minister Eduard Shevardnadze, which specify the Soviet Union's willingness to keep supporting Nicaragua. Ortega also said the parties that disguise themselves with the banner of the opposition are backing the U.S. policy, and are responsible for the crimes perpetrated by contra mercenaries. He said that these parties are not complying with the accords signed at the Olof Palme Conventions Center on 4 August.

[Begin Ortega recording] The Yankees have continued to provoke war through the contras and the opposition. Disguised as political parties, the opposition keeps supporting the Yankee policy and the contras. They are responsible for our suffering, because they are not complying with what they signed. They are not complying with the peace accords that we signed with the Central

American presidents. They are not complying with the accord we signed in Managua on 4 August. As Nicaraguan president, I signed this accord with all the parties. The contras are provoking more grief, mourning, and suffering in the Nicaraguan people. The Nicaraguan people do not want war. The Sandinist National Liberation Front [FSLN] and the Nicaraguan Government do not want war, but we must defend ourselves if we are attacked. This is normal. Whoever is not courageous enough to defend himself, does not deserve to be free. All the Nicaraguan people want to do is defend themselves from aggression.

We have talked with the Soviet Union about our relations. The Soviet Union has expressed its willingness to keep supporting Nicaragua. The Soviet Union and Nicaragua have agreed that the Soviet Union will suspend all arms shipments to Nicaragua for a still undetermined period of time. We had previously agreed with the Soviet Union that we would continue to receive supplies, such as ammunition and war weapons; however, if the contras suspend all their criminal actions against the Nicaraguan people, and if the contras (?financed) by the United States stop making war on the Nicaraguan people, we are willing to stop receiving ammunition and weapons from now until February. However, if this policy of aggression by the mercenaries and the U.S. Government continues, if the contras do not accept the demobilization plan the Central American presidents have drawn up, we reserve the right to continue to receive in Nicaragua the ammunition and armaments we require to defend ourselves from these criminal attacks. [end recording]

Ortega Leaves for GDR, Persian Gulf Nations

*PA0610000389 Panama City ACAN in Spanish
2155 GMT 5 Oct 89*

[Text] Managua, 5 Oct (ACAN-EFE)—Official sources in Managua have reported that Nicaraguan President Daniel Ortega left today for the GDR, from where he will go on a tour of six Persian Gulf countries.

Ortega will be a guest of the GDR Government, and will participate in events to commemorate the 40th anniversary of the founding of that socialist state on 7 October.

The official government radio station, La Voz de Nicaragua, confirmed that President Ortega, accompanied by a large retinue, left this capital shortly before 1400 (2000 GMT).

The source, which did not provide any further information on the presidential tour, said that Ortega will visit Kuwait and five other Persian Gulf countries, but did not specify the duration of the tour.

Unnamed Envoy Charged With Handling UNO Funds

*P10510224789 Managua Radio Sandino in Spanish
2002 GMT 5 Oct 89*

[Text] Interior Minister Commander Tomas Borge has charged that a Central American ambassador has participated in the illegal transfer of money to the National Opposition Union [UNO], adding that the government must protest this interventionist attitude to the international observers accredited in the country. Minister Borge made these charges during a visit to the national penitentiary on the occasion of the 10th anniversary of its founding.

[Begin recording] [Borge] We have information that a Central American ambassador, whose name we cannot disclose at this time, has brought in foreign money. We have proof provided by state security. This money was mainly channeled through Alfredo Cesar. Most of the money they have received from abroad has been received through this channel.

[Unidentified reporter] What is the government going to do in light of this provocation, in light of this financing for the political parties?

[Borge] It is a complex situation that [words indistinct]. It must be studied carefully; it must not hinder the electoral process. [end recording]

Editorial Criticizes U.S. Aid to Opposition

*P10510232789 Managua BARRICADA in Spanish
4 Oct 89 p 3*

[Editorial: "CIA Millions for the UNO"]

[Text] The charge by the U.S. magazine NEWSWEEK that UNO [National Opposition Union] had received covert aid from the CIA of up to \$5 million, as well as thousands of additional dollars from Venezuela, constitutes two very serious developments harmful to the electoral process and Nicaraguan sovereignty. However, more than that, it leaves no doubt as to the nature of UNO as a instrument.

Direct CIA financing to UNO shows that the Yankee government has not forsaken resorting to covert operations to meddle in the elections, while at the same time it is openly handling an additional \$9 million request for "open aid" that must be approved by the Congress this week, to be funneled through the NED [National Endowment for Democracy].

Whether "open" or "covert" by the CIA or NED, these funds are illegal, as is the financing by other Latin American countries, which the government referred to over the weekend.

Although the NEWSWEEK charge comes as no surprise, the confirmation of this development has even more serious implications for UNO as the recipient of the CIA money, not just because of the indelible stigma, but

because it represents a violation of the commitments made at the national dialogue to reject all covert aid as a violation of the Electoral Law.

Besides the considerations the Supreme Electoral Council may have on the subject, everything indicates we are witnessing the final part of the leasing business. The lack of autonomy of the ultra-right coalition and its mercenary nature supplanting the contras are irreversible.

This situation casts doubts on the validity of their participation in the elections, because who are we to deal with when they are defeated? Will the United States accept it?

This dance of millions and millions of dollars to lease UNO reflects their tremendous weakness. Why, if they are so sure of winning—as they claim—do they want so much money? Why do they seek covert CIA aid?

Everyone knows the answer—because they do not have support in this country, do not represent anyone, and are an illegal opposition.

* Soviet Official Discusses Commercial Ties

32480219a Managua BARRICADE in Spanish
28 Aug 89 p 3

[Text] If the Soviet Union has been the nation with which Nicaragua has developed the strongest economic and trade relations in a framework of solidarity and assistance, both perestroika, which gives priority to domestic economic growth, and the new peace conditions which Nicaragua has achieved are giving a new aspect to the future of those relations.

The new Foreign Investment Law has raised doubts about whether the cooperative relationship with the USSR will move toward a style that is marked by more commercial interests.

Alejandro Chujorv, USSR trade representative in Nicaragua, responded categorically: "This year the USSR continued supplying petroleum to Nicaragua on advantageous terms, it donated thousands of tons of rice and flour, and it maintained cooperation in various areas."

He also recalled the principal actions of this cooperation in the assessment of the country's mining resources, the formulation of general plans for the development of the fishing and textile industries, the preparation of an updated topographical map of Nicaraguan territory, and the continued training and education of technicians in a variety of fields.

When asked about how attractive Nicaragua is for Soviet investment, he indicated first of all that he does not think it wise for Nicaragua to limit its interest to trade relations and investment with the USSR, and then noted that in any case it is Soviet firms that now have the option to decide what their interests are in this regard.

In response to a question concerning the areas where Soviet entities might be interested in investing, he cited the example of "our organization AGROLIT [expansion unknown], which after long conversations with the Ministry of Agricultural-Livestock Development and Agrarian Reform (Midinra) found a point of specific convergence with the Nicaraguan Banana Enterprise (Bananic). It went on to form an enterprise or joint cooperative to organize banana production."

In his opinion, "the Foreign Investment Law may expand economic relations between the USSR and Nicaragua, if there are firms interested in it. I think we can find new lines for this type of relations."

The areas that may be of interest include the mining sector, in which new cooperation agreements are already being drawn up, the fishing sector, the textile industry, and in general all projects "that provide a short-term response."

Convinced that this type of project is the most attractive to the country at this time, Chujorv emphasized that the USSR is interested in "supporting those sectors that will contribute primarily to the expansion of the production of goods for the national market and to Nicaragua's export capacity."

Comparison of Ortega's Promotion of Registration

PA0210163089

Managua Radio Sandino in Spanish at 1200 GMT on 2 October broadcasts an item by Nicaraguan President Daniel Ortega, regarding the voters registration process.

The Managua Radio Sandino Spanish version has been compared to the Managua Domestic Service Spanish version published in the 2 October Latin America DAILY REPORT and found to be identical, allowing for the following variations:

Page 28, column one, paragraph three from bottom, line two reads...to continue forward—for the second time—with an election process, with the voter registration process, and thanks to...[supplying indistinct words].

Same page, same column, penultimate paragraph, line two reads...Front, we have democracy, we have a...[supplying indistinct word].

Same paragraph, line four reads...everyone goes around shouting whatever they wish to shout. All this thanks to the Sandinist Front. This entire process...[rewording, supplying indistinct words].

Panama

Coverage of Aftermath of Military Insurrection

Noriega Addresses Supporters

PA0510201389 Panama City Domestic Service
in Spanish 1733 GMT 5 Oct 89

[Speech by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, at a ceremony held in his honor by the Women's Single Front Against Aggression, FUMCA, in Santiago, Veraguas Province—live]

[Text] Thank you very much for holding this rally here in the land of Indian Urraca and in the land where Torrijos was born. [applause] Yesterday, [date as heard] U.S. imperialism tried to use those two names as banners to humiliate this Republic.

I want to respectfully ask all these brave women [applause]. I want to ask them to allow me to dedicate this ceremony honoring me, that was planned a long time ago, and which other active, male forces from other provinces have joined today... [changes thought] I want to respectfully ask you to help me dedicate this ceremony to a moral force that has helped strengthen me and that boosted my morale yesterday, and that force is [crowd shouts indistinct slogans] and that force is a woman like you and her name is Felicidad de Noriega [Noriega's wife]. [applause; crowd shouts indistinct slogans] I also want to dedicate this honor ceremony to my daughters Lorena, Thais, and Sandra, who were praying as the problems were rising. [applause]

I also want to dedicate it to this women's organization, to this organization made up of women whose unyielding and enthusiastic principle is that when they go forward, there are no men who go backward. [applause; crowd shouts indistinct slogans and: "Not one step backward!"]

I want to dedicate this homage to FUMCA's organizing committee: to Mrs Lucell; to Mrs Beatriz, who is the mother of Pancho [not further identified]; to Nelly, Marisol, Ana Villa, Noris, Xenia, Dayra, Aminta, Venancia, to all of them; and to all those anonymous FUMCA female workers who contributed [applause; crowd shouts indistinct slogans], who contributed to the organization of this rally, which is a rally of souls, souls that share one single thought.

I send a kiss, thousands of kisses, to all these beautiful women here, to all these women from Santiago, Chiriqui Province, Panama Province, and the central provinces. [applause; crowd shouts indistinct slogans and: "Long live the commander of peace!"]

This rally had been scheduled to be held before, but we postponed it. However, never before have we seen so many worthy and brave women gathered together to tell the foreign forces that are trying to enslave us that we will not take one single step backward. [Crowd shouts:

"Not one step backward!"] "Journalists tell the truth!"; "One single territory, one single flag!"; "One single flag, one single territory!"; "They sure as hell will leave!"; "Alert, take heed, anti-imperialism is roaring through Latin America!"; and other indistinct slogans]

Since foreign journalists are present here, I want to respectfully [crowd shouts: "Let them tell the truth!"], with all respect... [changes thought] But the Panamanian people already know when something is going to happen because the journalists arrive like a swarm, and then we prepare because they have been sent as the advance party. As always, I pay my respects to them, but what is the only condition? [crowd shouts: "Let them tell the truth!"]

I want to recount what happened on Monday [as heard], that fateful but interesting 3 October, yes the 3d. I think today is the 4th or the 5th; yes, the 3d. I have yet to go to my house, but I came to Santiago, Veraguas, [cheers, applause] I arrived at the headquarters at 0745 [on 3 October], already having information about the plans and the U.S. investment to deal another coup to Panama. We had been following all the events. We arrived there, and they began the attack on the installations where I was located. We remained there from 0800 to 1145, under heavy fire, very heavy fire—superior, not normal, gunfire.

Meanwhile, from 0400, the Southern Command had given the order to block the entrance to the installations located in the areas reverted to Panama, such as the areas where the Victoriano Lorenzo Company, the Navy, and the Special Antiterrorist Unit are located. They had also done this near Arraijan and its surrounding areas, Loma Cova, and the Inter-American Highway, thus violating international agreements. They blocked these areas with payloaders [previous word in English], armored vehicles, and their armed men. So they should not be hypocrites, because they were also involved in this coup! [applause and shouts] But here they experienced another Bay of Pigs, because they left those whom they had bribed in the lurch, individuals who were not successful because dignity is superior to brute force! [applause and shouts]

Ladies and gentlemen, telephone calls originating from Washington were inquiring about and following up on the developments of the coup that they had plotted with their money, bribes, and advice. We have found evidence of this on desks. We deplore the fact that this foreign presence and intervention in this coup attempt was not only aimed against this commander. It was also aimed at toppling the president of the Republic, who was scheduled to deliver a speech before the United Nations at that moment. They had gone for Endara early to have him freshen up, because the plan was to place him in the Presidency—but they screwed up. [applause and shouts] The clown who is staging a hunger strike went to eat. He went to fill his stomach before assuming the Presidency, but he screwed up. [applause and shouts]

When we went downstairs to talk to the confused troops, who did not know what was going on—confused, but traitors nevertheless—and to the thoroughly bribed officers, the rank of this commander and his staff members who were present prevailed when I told them: You will have to kill me, because this liberation movement of the Panamanian people will never surrender. [applause, shouts]

They had planned to repeat what they did in Grenada, where they killed Maurice Bishop at the headquarters, and nobody knew how he died. They had planned to do that: Repeat the Grenada action in Panama.

I repeat: There was a single force—the moral force of those who were inside the building—that insisted that this historic movement would not be stopped. Not even the death of the commander would stop the liberation of the Panamanian people and compliance with the Torrijos-Carter Treaties. [applause and shouts]

They erred once again by thinking that everybody has a price and that everybody could be a traitor. While this was happening inside, men of the Panama Defense Forces, ranking officers, men of the Chiriqui commando units, Macho de Monte commando units, Battalion 2000, Pumas and Tigers of Tocumen, the Panamanian Air Force, which had equipped their planes, were ready to strike back.

And when planes came back from Chiriqui and Rio Hato, two Cobra aircraft followed them in an attempt to confuse and force them to return, but they screwed up. [applause and shouts] The Democratic Revolutionary Party and people's forces immediately refuted confusing communiques claiming victory. In the United States, the traitors also gathered and began to divide the government among them, but they screwed up. [applause and shouts]

I would like to sum this up before this audience spilling over with dignity, before this audience of men and women of the people: We must commit ourselves to making people's laws, and those ministers and government officials who do not want these laws can be made to leave! [shouts of approval and applause]

They want us to play the game of democracy while we are being threatened, subjected, and cowed into submission. We cannot play the game of democracy under these circumstances. [crowd shouts: "The seditious ones must be fired!"]

We must fire them. Indeed, we must fire them! We must fire all those who are listed on the government payroll and are protected by laws we have drafted. Taking the committee and all public employees present here this afternoon as witnesses, I tell you that we will talk to the president about the need to eliminate the laws that protect the enemies that are inside the government! [crowd shouts: "The enemies to the firing squad!"]

We need a package of laws that will repeal those privileges that are hindering direct economic solutions for the

people. We need a package of laws that will stop preventing us, during normal times, from using our Foreign Ministry as we should to inform foreign governments and prevent them from becoming confused. [applause and shouts]

In addition, ladies and gentlemen, and I am talking in public here, so that you can be the judges, so that you can support us, and so that you can be the ones to demand that these radio stations and these television channels—which use the state's frequencies but immediately began to attack us, because they, too, had been bribed—be done away with. [shouts from the crowd] No more concessions, no more concessions to the enemy! [shouts and applause]

No more concessions to the enemy! [crowd shouts: "No, no!"] As the Mexican saying goes: It is best to bring grief to their relatives instead of to my relatives. [applause and shouts]

All active, militant, and worthy public officials are risking their lives. [shouts from the crowd] On behalf of those active and militant public officials who are risking their lives, we must fire those who are not and do not! [banging and applause, shouts of "Board the seditious ones on a plane!"]

They must be fired so that their jobs can become available for worthy individuals who do not have a job, for members of the Dignity Battalions who are unemployed! [shouts and applause]

I will be with you all. We must press for this. We must. We have to do this because otherwise later we will have to cry about the step that we did not take in time. [shouts and applause]

We must apply, we must apply.... [changes thought] Here, they are saying: seditious directors. [crowd shouts] This goes for everyone [crowd shouts, applause]—directors, judges, everybody! [crowd shouts] We must apply an old Spanish saying by an anonymous author. It is the one about the three P's: Blows [palo] to the undecided, bullets [plomo] to the enemy, money [plata] to the friend. [crowd shouts, sings]

They are asking me to repeat the three P's. [crowd shouts] Each public employee who is dignified and militant must become a watchdog of infiltrated traitors. [crowd shouts] We are going to draw up the list. We are going to draw up the list! We are going to draw up the list because there are many people who need jobs who are not working for the government. [crowd shouts, applause] A list, a list, a list; names, names. [crowd shouts] We cannot have those in charge of and entrusted with our children's education being the most seditious and treasonous. We cannot have the Education Ministry continuing to subsidize foreign clergy so they can run counter to the history of our country. [crowd shouts] Neither can we have our recently reappointed officials dismissing men who fought at the most difficult times.

[crowd shouts: "No!"] We do not agree with that! [crowd applauds] We do not agree with that.

Therefore, this recaps the principle of what we must do in the face of the aggression of 2 days ago. It shows us that aggression and threats are things we must face up to with war measures, not democratic measures. [crowd shouts, applause] As long as they maintain the aggression, as long as they maintain economic sanctions, as long as they maintain other forms of aggression abroad, Panama must live amid a situation of emergency [un momento de emergencia], and emergency means no room for traitors or jobs for traitors. No jobs for traitors! No jobs for traitors!

And government officials who do not fire traitors are traitors too. [Noriega pounds on podium; applause]

We must defend ourselves. We are not an offensive country, but we must defend ourselves. And the way to defend ourselves is to protect our people's economy, our people's dignity, and relations with other countries.

In Panama, we respect all foreigners, all foreigners. We have taken this crap too long. [applause] Gringos do not even die of bad colds on the Panamanian beaches. They may get killed during their maneuvers, but Panamanians respect human dignity very much. Panamanians respect human life very much. That is why we want to be respected.

Thus, to sum up, I would like to clarify this principle that must be transmitted by all the officials who are present here, by the ministers who are present here, and by those who are in charge of the president's economic treasury who are present here: We have to make a package of war laws [leyes de guerra], of emergency laws that will focus on economic security, labor security, and the physical security of our borders. There is no room now for traditional laws designed for boom times. This is not a boom period, so there should not be any law to protect the paternalistic benefits that are given to concessions. [Noriega pounds on podium throughout last three sentences]

Thus, I thank all those who are here today for their presence. I thank the women who organized this rally and all women present here. I thank all the men present here. I thank the people who came from the various country's provinces, which include Colon and Darien Provinces, the central provinces, Los Santos Provinces, Chitre City, Chiriqui Province. [crowd shouts indistinct slogans] I also thank all those women and public officials who came from Panama City and from San Miguelito District. I thank the FUMCA women.

It is very pleasing to know that you were also worried about us and that you were praying so that innocent blood was not shed and [applause] so that violence did not go beyond the walls of our institution. It is very pleasing to know that some of you cried and that some of you placed your faith in God and your faith in your

leaders ahead of everything. As he [not further identified] told me: Yesterday, I mean, the day before yesterday, the blood of Christ protected us all, absolutely all, including the anonymous workers who organized this ceremony, all those who believe in what we are saying here, all those who believe in our homeland, and all those who believe the president will help us move forward. [applause] I want to tell all those people, absolutely all those people that—please, foreign journalists, listen to me carefully—the United States is making a mistake thinking that one single man will be an obstacle for the Panamanian people to receive their canal and for them to do away with all humiliations at noon on 31 December 1999. It is a mistake to think that one single person will.... [does not complete sentence]

The United States does not know our people. This is a generational struggle; a struggle waged by Harmodio Arias in 1931; by the Tenant Board; by the martyrs of January; by Colonel Jose Antonio Remon Cantera, whom they assassinated; a struggle waged by Torrijos, whom they also killed. [applause] They killed him. Using the sophisticated methods of air technology, they downed the plane. [applause] Therefore, it will not be this man.... [does not complete sentence; crowd shouts slogans] This is a generational struggle in which there are no heroes, in which there is not a sole leader, in which the leaders are the people, the people's awareness directs this liberation movement. You are the heroes and heroines, and only you, the Panamanian people, will receive honor and glory at noon on 31 December 1999. No one's death will prevent this; no one's death will prevent this, and this is why I am fighting and will continue to fight. We are not talking man or name, we are talking people and this people has a name—Panama. [applause]

Thank you, thank you Santiago de Veraguas. Thank you true spirit of Urraca. I thank all of you who have given us this opportunity to come here and talk. You are the only reporters who do not misinform, you the Panamanian people. [applause]

U.S. Wanted 'To Kill Me'

PA0610051289 Panama City ACAN in Spanish
0455 GMT 6 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—Panamanian Defense Forces [FDP] Commander General Manuel Antonio Noriega has said that "the hands of the United States were completely immersed (in the coup attempt) to kill a leader, to kill me."

After meeting with Panamanian Provisional President Francisco Rodriguez, who returned from the United States today, the General said: "By killing Noriega they would not be killing the Panamanian people's cause, which is liberation."

According to an FDP war bulletin released yesterday, 10 people were killed and 26 were wounded in the aborted 3 October rebellion against Noriega. Five are "on the

run", and have taken refuge on a U.S. military base, and 37 persons are under arrest, including 2 colonels.

The Panamanian soldier, accompanied by two of his daughters, harshly criticized the U.S. diplomats in Panama, whom he described as the "worst" the United States has had in Panama in the past 5 years.

According to Noriega, former U.S. Ambassador Arthur Davis "was a total failure" and the United States still has John Maisto, "a total fool," as its charge d'affaires.

"I wish to inform you that the most recent aggression was implemented by the U.S. Government against Panama so as not to abide by the treaties they signed," Noriega added.

Noriega said that the North Americans "bribed the subordinates and used the Southern Command's strength to attack Panama."

"We are a people who are different to the people of the United States; we do not have blue eyes, we have black eyes; we are Indians, we are Spaniards, so respect that race," Noriega added.

Cited on U.S. Relations

PM0610151489 Madrid ABC in Spanish 4 Oct 89
p 35

[Interview with National Defense Forces Commander General Manuel Noriega by Juan Carlos Azcue at San Juan de Dios, Traquilla, Panama; date not given]

[Excerpt] [Azcue] Newspapers have been closed down, there are political prisoners... Would it not be advisable to introduce an amnesty to show that a democratic system is desired?

[Noriega] With regard to political prisoners, two have been released; but as for exiles, that is another matter. These people have been accomplices of the United States in provoking foreign influences. Such behavior constitutes high treason. It is not like normal exiles; it is not like a Basque Homeland and Liberty member in Spain's case.

[Azcue] You mentioned U.S. intervention. Why have you not severed diplomatic relations?

[Noriega] We are experiencing an abnormal situation. The United States recognizes a Panamanian president who does not even live in this country. It does not accept our diplomatic mechanism, but it maintains its ambassador so as to interfere in all aspects of Panamanian life. This is an abnormal situation, and so ridiculous that it makes you laugh.

[Azcue] What measures has the United States taken against Panama?

[Noriega] It has frozen all the Panamanian funds in dollars that our country has in New York. That is, the

sums that it owes us for the toll of the canal. Multinationals such as Texaco are not honoring the Torrijos-Carter treaty. These companies have grown rich but have evaded all their responsibilities with regard to the canal.

[Azcue] The consequences have not been too serious, however. Al-Nasir nationalized the Suez Canal and it cost him the war.

[Noriega] We are not aggressive; we are peaceful. We have maintained the same stance ever since 1903. We reject violence. We do not forget that in 1964 24 Panamanians and an indeterminate number of U.S. troops died over the lowering of the American flag. They concealed the figures at the time. They can kill many of us but they knew that even 200,000 or 500,000 could die... They would leave wrapped in the stars and stripes. We would bury our dead but they would have to mourn them. We have endured humiliations and advised our people to avoid provocations. We have told the people this.

[Azcue] It will be another 10 years before the Americans leave the canal. Could a nonviolent solution be negotiated, as has happened in other countries?

[Noriega] Major empires can be defeated if they lack conviction. The Russians left Afghanistan, though they were spoken of in terms of a steel wall or as the baddies. We cannot understand how a nation that champions democracy, and that has been our ally since 1904, can maintain an aggressive posture when we have signed a treaty. We can discuss strategic positions. There are some things on which concessions must be made and others that we can talk about like human beings.

[Azcue] What do you believe sparked off the crisis?

[Noriega] Undoubtedly my meeting with America's Admiral Poindexter, when he asked me for the use of an island as a base from which to supply the Nicaraguan contras. My refusal angered him so much that he broke his pipe on the table at which we were talking. Panama could not intervene in a neighboring country, in my opinion. The Bush administration did not see it that way.

[Azcue] You are regarded as an extremely prudent person, perhaps because of your link with the secret services, but suddenly you have become a bete noire for the United States.

[Noriega] What happened is that Abrams, under secretary for Latin American affairs, waged a psychological war to demoralize a strong man with popular support and status in the Third World. They were entirely mistaken, because my attitude was one of cooperation, dialogue, and reconciliation so that the United States could come to a peaceful understanding with Cuba.

Foreign Ministry To Protest

PA0610152989 Panama City ACAN in Spanish
1345 GMT 6 Oct 89

[Text] Panama City, 6 Oct (ACAN-EFE)—Panamanian Foreign Minister Jorge Ritter has announced that his office will send a strong protest note against the United States [no addressee—as received] because of its "open participation" in the military coup attempt carried out against General Manuel Antonio Noriega, commander of the Panama Defense Forces [FDP].

Minister Ritter, who on 5 October returned to Panama from New York with President Francisco Rodriguez, has told ACAN-EFE that the Foreign Ministry is analyzing the situation in order to prepare the note.

Ritter said there is "evidence" that the United States participated "in the coup attempt" against General Noriega. Following the foiled coup on 3 October by mid-level officers, the Panamanian military leader blamed the United States and also accused the opposition of carrying out a "civil disobedience campaign" which urges Panamanians to delay payment of taxes and public services.

Ritter said: "All the people and governments of the world have rejected the meddling attitude of the United States. Some will state this rejection and some will not, but I am certain that all the countries reject this type of activity because they know that the same thing could happen to them some day."

The foreign minister said that following the 3 October speech at the UN General Assembly by President Rodriguez, representatives of the other nations who were in New York expressed their "understanding and support" for the Panamanian cause to him.

Ritter said: "The nations of the world understand that we are facing one of the largest misinformation campaigns ever mounted against Panama. Panama has been able to bring the countries' attention to the infamy being committed by the United States against this country."

Francisco Rodriguez told thousands of supporters and civil and military authorities at a Panama City airport: "We will not tolerate anyone imposing their democracy on us, especially if they want to do it by force." He added: "We went (to the United Nations) to ask for the respect we deserve. Stories and lies will not make us bend ever."

President Rodriguez said that he received the solidarity of "many brotherly people" and stated his hopes that "the veil of misinformation" will end and that Latin America will come to view Panama's cause as a "common cause."

Rodriguez said that he experienced difficult moments at the United Nations where he was informed about the military rebellion. He noted that many delegations

"thought that we would not attend the United Nations session because (Panama) was going to change roads."

U.S. Army 'Blocked' Highways

PA0610142589 Panama City CRITICA in Spanish
6 Oct 89 p 14

[Text] With an attitude of open and malicious intervention in the domestic affairs of Panama, approximately 100 U.S. soldiers blocked the Loma Cova highway in Arraijan early on the morning of 3 October. Their purpose was to stop the forces loyal to General Manuel Antonio Noriega, to his General Staff, to the institution [the Panama Defense Forces, FDP], and to the fatherland who were heading to FDP headquarters to deal a strong, patriotic, and crushing blow against the treacherous rebels who were staging a coup.

The U.S. soldiers blocked the road using one large payload, four Hummer vehicles, and four armored personnel carriers.

The FDP won, and not even the U.S. soldiers' support was able to break the strong loyalty to FDP Commander in Chief Manuel Antonio Noriega.

There were persons wounded on both sides, but the rebels suffered more during the heavy shooting that took place until the loyal troops quelled the rebellion.

Order prevails throughout the country. Long live Panama.

[Item is accompanied by a photograph showing one U.S. armored personnel carrier with approximately five soldiers on it blocking a highway, while one FDP traffic officer stands in front of the U.S. vehicle. Caption says "This Picture is Eloquent Proof of U.S. Army Intervention in the Domestic Affairs of Panama. When It Blocked the Loma Cova highway in Arraijan With Several Armored Personnel Carriers Early on the Morning of 3 October."]

Criticism of Noriega Voiced

PA0510173389 Panama City ACAN in Spanish
1540 GMT 5 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—Many Latin American governments' criticism of General Manuel Antonio Noriega, commander of the Panama Defense Forces [FDP] and Panama's "strongman," has increased in the wake of the failure of a military rebellion against him on 3 October.

Presidents Alan Garcia of Peru, Carlos Andres Perez of Venezuela, and Oscar Arias of Costa Rica have been the harshest critics of Noriega, to the point that they have openly and personally lamented that the coup attempt failed.

Peruvian President Alan Garcia has said that a priority issue at next week's summit of the Group of Eight (from

which Panama was excluded in February 1988) will be Panama's domestic situation.

Garcia viewed the failure of the Panamanian rebellion as "a setback" to Latin America's democratization process.

Peru unambiguously condemned Gen Noriega who, according to Garcia, is "precariously" maintaining himself as "military dictator." According to Garcia, this was shown by the foiled rebellion.

"Latin America should issue an opinion against Noriega," the Peruvian president said, adding that "the Panamanian crisis tests Latin America's efforts to achieve unity and economic integration in the continent."

Costa Rican President Oscar Arias said the coup attempt shows the desire for democracy of the Panamanian people, whose discontent has been increasing following the "mockery" of the annulled 7 May elections.

"It is very hard to believe that a government like the current one (in Panama) can live in peace and calm after having distorted the Panamanian people's will as expressed in the elections," Arias said.

The Costa Rican Government was able to include "the case of Panama" on the agenda of the OAS General Assembly in November.

Meanwhile, Venezuelan President Carlos Andres Perez said the failure of the rebellion against Noriega entails a "step backward", because Panama is today "the only military dictatorship" in Latin America.

"Democratization and respect for the Torrijos-Carter canal treaties are inalienable historic demands for all of Latin America," Perez said.

Venezuelan sources did not rule out the possibility that Panama could definitely be expelled from the "Group of Eight," which it founded together with Venezuela, Peru, Colombia, Mexico, Uruguay, Brazil, and Argentina. The sources also announced that the Caracas government will maintain its diplomatic relations with Panama at the lowest possible rank, which is currently a charge d'affaires.

Meanwhile, Nicaraguan President Daniel Ortega said today that he contacted Noriega on 3 October. According to Ortega, Noriega told him that the U.S. "escalation" was "repelled by patriotic forces."

At the end of a meeting between Ortega and Soviet Foreign Minister Eduard Shavardnadze, a Nicaraguan spokesman said that both leaders said that "they are against any meddling in the internal affairs (of Panama), no matter where it comes from."

Noriega has insisted that the U.S. Southern Command, which has some 12,000 men stationed in the canal area, was behind the 3 October rebellion.

"The U.S. piranhas tried to overthrow us," the Panamanian general said yesterday.

Contrasting with the harsh statements by the governments of Venezuela and Peru, Mexico, another influential member of the "Group of Eight," reiterated that the Mexican position "is well-known: Panamanian problems must be solved by Panamanians."

Ecuadoran Foreign Minister Diego Cordovez, who headed a mission from the Organization of American States that failed in its attempt to mediate in the Panamanian crisis, said that the only solution for that country is resuming the dialogue between the military leaders and the opposition.

Meanwhile, Argentine Foreign Minister Domingo Cavallo said that the military rebellion in Panama, which left at least 10 dead and approximately 40 arrested — including high ranking officers—"will only aggravate the conflict."

Argentina, Cavallo added, will continue with its criticisms and "will distance itself from that nation."

Panama's current government headed by Francisco Rodriguez has not been recognized by several Latin American governments, which have recalled their ambassadors in that country.

The only Latin American countries that currently have ambassadors in Panama are Cuba, Nicaragua, Mexico, and Ecuador.

Jamaican President Michael Manley, a personal friend of the late Panamanian General Omar Torrijos, who founded the current regime in 1968, announced the breaking of relations as long as Noriega remains in power.

Solis Denies Garcia Statements

PA0510180089 Panama City ACAN in Spanish
1440 GMT 5 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—Former Panamanian President Manuel Solis Palma today vigorously denied that he confidentially told Peruvian President Alan Garcia that the Panamanian opposition won the annulled 7 May elections.

During a news conference held yesterday, President Garcia said that Solis Palma had confessed to him that he "was absolutely convinced the opposition had won by at least a 2-to-1 margin." Solis allegedly made that confession during a private conversation with Garcia in La Paz, where they were attending the recent presidential inauguration of Bolivian President Jaime Paz Zamora.

Alan Garcia said: "This was said confidentially, but it had to be made known in time."

In statements today to a local radio newscast, 120-Minute Journal, Solis Palma said that he regretted that the Peruvian president, "whom I have always respected as a friend and above all as a president," had made such a statement, "which is absolutely far from the truth."

The former Panamanian president said: "I have never told him or anyone else that the opposition won the elections by that margin or any other margin, because the way in which the elections developed prevented anybody from knowing who had won, since the Electoral Tribunal lacked the necessary information to determine who the winner was."

The Panamanian elections were annulled by the Electoral Tribunal as the opposition was claiming its election victory.

The Peruvian Government has criticized the 1 September appointment of Francisco Rodriguez as Panamanian provisional president, because—according to Garcia—Rodriguez was handpicked by Panama Defense Forces Chief General Manuel Antonio Noriega.

Rodriguez on Events

PA0510234389 Panama City Domestic Service
in Spanish 2146 GMT 5 Oct 89

[Speech by Provisional President Francisco Rodriguez at the Marcos A. Gelabert Airport in Paitilla, Panama City—live]

[Text] Vice President Carlos Ozores Typaldos and Mrs Ozores, Mrs Beatriz de Rodriguez, Colonel Marcos Justines, Panama Defense Forces [FDP] chief of the general staff, members of the FDP general staff, ministers and deputy ministers of state, directors of autonomous institutions, comrades, people, and friends who today pay me the tribute of this huge welcome, for which I truly thank you from the bottom of my heart [applause]:

I interpret this display of esteem, dear friends and Panamanian people, as your solidarity and support for my speech this week at the United Nations General Assembly. As you know, I went there on behalf of an abused nation. I did not go there to request or beg for anything. I went to ask for the respect we deserve. [applause]

I went to tell them that for many years, this nation has stood sovereign and dignified against deceit, disparagement, lies, and slander. The disparagement and lies will not bend our wills. They did not succeed in 27 months, they will not succeed today, they will not succeed tomorrow, and they will never succeed. [applause, shouts]

I went to that forum for worldwide awareness to tell the countries of the world that we are not anyone's enemy, and we should not be gratuitously considered an enemy. I went to that worldwide forum to say that this nation wants to express its freedom and democratic conditions based on its own identity, awareness, idiosyncracies, and imperfections, and will not stand for another country attempting to impose its democracy on us [applause], and even less if it attempts to do so by force. Fortunately, many neighboring countries expressed their solidarity with Panama at the United Nations. Countries which,

despite diplomatic, economic, and political pressure, have stated their true resolve to express their solidarity toward Panama.

When the mirage and veil of misinformation are eliminated, I am sure that Latin America will support this country's cause, because our struggle is fair and noble. America will not turn its back on this country. [applause, chants]

During my stay, you and I experienced a few hours of unrest. They were difficult hours, I am sure. I must confess something. When I was in New York, just when I was about to attend a luncheon with the UN secretary general and several presidents and then make my speech, there was the belief at the United Nations that I would not attend. They thought the situation could change. I surprised them with my presence [applause, chants] because I was fully convinced. I was absolutely sure, that the Panamanian people and the men in uniform would not stand for colonialism or feudal allegiance. [applause]

History shows that we were right. Unfortunately, the aggression penetrated and confused young officers, who wanted to stage an uprising to break the backbone of Panama's dignity, the FDP, but they did not accomplish their task. [applause, chants]

Unfortunately, this uprising shed blood and brought grief. It is unfortunate because this is a peaceful country, it is a country of peace where people are not used to seeing blood, grief, or pain. [applause]

Within the solemnity of this ceremony, I must express my human solidarity with the relatives of the dead and wounded, and I hope that never again, never again will there be mourning, grief, and blood in this dear country of peace and progress. [applause]

However, this experience we have overcome must not lead us to irresponsible exultation. Now, more than ever, the progressive forces in this country must unite to defend the fatherland. [applause]. Now, more than ever, it is essential to correct the mistakes that altered the course of the Torrijista process. Now, more than ever, we must preserve the very essence of Torrijismo—the foundations of which were laid with the highest honor any man could wield in this fatherland—with bravery and dignity. We must make the necessary corrections. We must return to the Torrijista model. [applause] because it is the closest thing to our people's resolve and needs, because that model truly links the people with their needs and solutions.

Today, when I have fulfilled a phase and have returned to the fatherland, my efforts and resolve will be toward the fatherland to undertake those tasks we must still develop and fulfill with the purpose I have imposed on myself—to build a reformed fatherland, a fatherland worthy of its best men. [applause]

Dear people, once again I reiterate my gratitude for this welcome, this warm welcome. These expressions of

esteem truly strengthen my resolve to continue working, struggling, undertaking tasks that will be more difficult now, but I know that with your support and backing I will accomplish them. Thank you very much, people. [applause]

Colonels' Role Analyzed

PA0510145189 Panama City ACAN in Spanish
1315 GMT 5 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—Two colonels of Chinese origin, Julio Ow Young and Guillermo Wong, fourth and sixth in the Panamanian military roster respectively, are the two most senior officers involved in the aborted 3 October coup against General Manuel Antonio Noriega.

Ow Young and Wong head a list of arrested "coupists" mentioned in a "war report" issued by the Panama Defense Forces [FDP] on 4 October, 30 hours after the failure of the bloodiest military rebellion in Panama's history since the country's independence from Colombia in 1903.

The third most senior officer who has been implicated and arrested is Lieutenant Colonel Armando Palacios Gondola, the Panamanian representative in the joint commission with the U.S. Army for the defense of the canal.

Palacios and Ow Young represented Noriega, Panama's "strongman" since 1983, in the frustrated negotiations with the opposition promoted by the Organization of American States (OAS) from June to August of this year.

Major Moises Giroldi, commander of the "Urraca Battalion," held the highest rank among the ten "dead coupists" listed in the "war report."

Giroldi's name appeared first on the list of those officers who signed the rebels' proclamation, which announced the "retirement" of Noriega and the FDP staff members.

Ow Young was "G-1 of the General Staff" (in charge of operations), and Wong was "G-2" (chief of military security services), one of the positions with more responsibility and influence within the Panamanian Army. Noriega was G-2 for many years when the late General Omar Torrijos was commander in chief and head of the government.

The role played by the two "Chinese colonels" in the 3 October coup attempt is still not clear, as they were not among those who signed the proclamation issued by the group that rebelled against Noriega.

Moreover, Ow Young was on the list of high ranking officers who, according to the rebels' announcement, should retire as they have completed the 25-year service as established in the FDP regulations.

Had the rebellion succeeded, Wong would have become the first officer in command and eventually commander, since he would have been the colonel with the most

seniority and the highest position on the roster who was not included in the "retirement" list.

According to military and diplomatic sources, Ow Young called in sick and stayed home the day of the coup attempt.

According to diplomats and local politicians in Panama, it is difficult at this point to ascertain who among the detained are "putschist by commission" for having openly participated in the rebellion, and who are putschists "by omission" for having remained silent or inactive during decisive moments when Noriega needed "loyalty beyond doubt and limit," as a well-known official slogan states.

Some of these sources, Panamanian and foreign, add that there could be "putschists designated for preventive purposes," referring to officers who had been suspected or distrusted for some time, and were included on the list of rebels to seize the opportunity to get rid of them.

Ow Young, Wong, and Palacios shared the common bond of having been recently promoted to posts of high responsibility within the FDP, specifically during the past 2 years of political and institutional crisis in Panama.

In June 1987, when Noriega dismissed his deputy, Colonel Roberto Diaz Herrera, also Torrijos' cousin and chief of staff, and the crisis began, they held lower ranks and occupied secondary posts. None of them was among the top ten in the hierarchy.

At the time, Ow Young was commander of a post in Colon, Panama's second city on the Caribbean coast, and Wong was in charge of coordinating canal defense with U.S. officers.

Wong was placed in charge of the "G-2" in January 1988. Ow Young had only been in charge of the "G-1" for 1 year. Palacios was promoted to lieutenant colonel only 3 months ago.

As a result of two military coups in the past 2 years—both of which were thwarted—and of reshuffling done by Noriega in the high command in between these two coup attempts since June 1987, 11 of the 15 officers who originally supported the general (there is only one with this rank in Panama) have been retired or discharged.

The only ones of the original 15 in 1987 who are still on active duty are Colonels Marco Justines, who replaced Diaz Herrera as chief of staff; Alberto Purcell, currently the third in command—although his brother Lorenzo was retired after the March 1988 coup attempt; Angel Mina, chief of headquarters economic services; and Roberto Armijo, commander of Ft. Espinar in Colon.

Included on an official list of "putschist elements" who were killed or detained are three majors and eight captains, most of whom were military unit commanders.

According to official reports, the main FDP units involved in the rebellion were the "Urraca Battalion," whose offices are located in the FDP Headquarters where Noriega has his main offices; the Dobermen Public Order Company, which is very feared by the opposition; and the Cavalry Squadron.

Endara: Coup Not Handled Properly

*PA0610033789 Paris AFP in Spanish 0056 GMT
6 Oct 89*

[Text] Panama City, 5 Oct (AFP)—Panamanian opposition leader Guillermo Endara today said that the attempted coup against General Manuel Antonio Noriega on 3 October failed "because it was not carried out as it should have been, Filipino-style, with the people's support."

"Things would have been very different if the coup had been staged as in the Philippines, leaning on the people's sympathy, as Corazon Aquino did," pointed out the former presidential candidate for ADOC [Civic Democratic Opposition Alliance], who has been on a hunger strike for 15 consecutive days.

Endara, who demands the recognition of his victory in the May elections that were annulled, said the 3 October events "are due to disagreements among the military themselves. This is why the coupists did not ask for the opposition leaders' support."

The ADOC headquarters this morning was raided by DENI [National Investigations Directorate] members, who detained Toti Bares and Melvin Ceballos, Endara's assistants.

Near the site, located on Cuba Avenue in the city's center, plainclothesmen stand guard after displaying revolvers and sawed-off shotguns.

The agents, who earlier prevented reporters from entering the office, later let them through after getting "instructions from above," as one of the plainclothesmen put it. Seated on a couch, the former candidate, who has lost 30 pounds over the past 15 days, smiled when he was told that Noriega had said in the morning that he was involved in the attempted coup.

Endara said: "Look, I would rather not talk about that because I did not listen to the general."

He pointed out, however, that the coup failed because the rebels "did not ask for the people's support."

Endara said that at about noon, several DENI agents took up positions in front of ADOC's offices, while they displayed their guns.

A few moments later, five agents entered the office where, Endara said, his assistant Bares and the agents struggled briefly.

The incident ended when one of the plainclothesmen fired a shot while standing at the door and the two assistants were detained, Endara said.

Endara said he will continue his hunger strike "until the Panamanian people back our 'Not A Single Cent More' campaign, which includes not buying lottery tickets or betting at the regime's casinos and bingo games, and delaying the payment of public services and taxes."

Asked about the extent of his voluntary fast, the opposition leader said: "The idea is not to commit suicide."

Meanwhile, the government established a national network so all of the radio stations could broadcast General Noriega's speech in Santiago, Veraguas Province, 250 kms northwest from Panama City, where Noriega attended an homage by his followers and reported that the coupists had tried to assassinate him.

In addition, the U.S. troops stationed in Panama are on a maximum alert. The curfew imposed by the government on 3 October continues in force.

Arias Calderon Comments

*PA0510220989 San Jose Radio Impacto in Spanish
0446 GMT 5 Oct 89*

["Exclusive telephone interview" with Vice President-Elect" Ricardo Arias Calderon from "somewhere in Panama" by unidentified reporter on 4 October—live or recorded]

[Text] [Arias Calderon] I have been in permanent contact with President-Elect [Guillermo] Endara, so the comments I will now make reflect his views. I have also been in contact with Second Vice President-Elect [Guillermo] Ford, who is currently in the United States. He also shares the same views.

We feel that the new and violent military uprising against General Noriega—the second in 1 1/2 years—dramatizes the deterioration of our national life in Panama. This deterioration also encompasses the Panama Defense Forces [FDP]. This time, the 3 October rebellion was initiated by military officers responsible for the regime's security. The rebellion was carried out by mid-level officers and troops, yet the leaders of the rebellion stressed their support to the current provisional government. Therefore, their uprising was specifically against Gen Noriega and some top commanders.

The main progovernment leaders and organizations observed an ambiguous silence throughout the conflict, without making statements or taking part in the conflict, waiting to see who won. In fact, the incidents were celebrated in some government offices. In other words, this showed that there are radical divisions within the regime, which at the same time continues to be repudiated by the vast majority of our people. We are deeply sorry that some compatriots were wounded and others

killed as a result of the rebellion, and that hundreds of compatriots were arrested in connection with the uprising.

All this dramatically worsens the Panamanian crisis in its various dimensions, and makes it even more dangerous for all our people. Our fatherland is falling into an abyss, along with all our institutions—military and civilian—while the Panamanian people's suffering increases tremendously. We ask ourselves: What can anyone gain—specifically General Noriega—from clinging to power and exerting it on a country in ruins—upon an oppressed people who repudiate him. Only the path of immediate democratization still offers hope for salvation. Achieving that immediate democratization, which the Panamanian people are firmly demanding with great sacrifice, is currently the main expression of true nationalism. The presidential and vice presidential candidates of the Civic Democratic Opposition Alliance [ADOC] will continue to struggle for that patriotic objective, which is more important than any other objective: Panama's immediate democratization.

These are my comments, which are shared by President-Elect Endara, and by Second Vice President-Elect Ford, who is currently out of the country.

[Reporter] What would be your message to the Panamanian people at this difficult time? We understand that Panamanians are worried about your safety, as they fear that the dictatorship could do something against you.

[Arias Calderon] We have lived dramatic moments, and will possibly have to go through even more dramatic moments, although we hope not. President-Elect Endara is still on a hunger strike. He had to leave where he was staying at the Vallarino Building for security reasons, because of the danger he could be arrested or kidnapped by one of the groups involved in the military conflict. However, Endara, Ford, and myself remain committed to the Panamanian people's peaceful struggle to achieve liberty, justice, and democracy.

At this time we particularly think about all those Panamanians who were wounded, about the relatives of those who were killed in the rebellion, and about all those who have been unjustly arrested. Among them are many civilians who share with us the ideals of liberty, justice, and democracy. I can mention some of them. Valerio Arauz, and the employees of the Sigma Printing Office are still under arrest, as well as Panamanians from Capira who were arrested on 2 October for protesting my detention on 1 October. They are: Nelson Cedenio, Alveo Hernando; Armando Peralta; Nicolas Torres; Teofilo Torres Medina; Raul Ossa, former legislator for La Chorrera who was reelected and again arrested on 4 October and badly beaten; Joaquin Gonzalez, of the students movement; German Rodriguez; and so many others, whose names I do not have here at the moment. We are thinking of them in a very special way.

My message to all Panamanians is that under the current circumstances, we must renew our commitment to the peaceful struggle to democratize our country.

More From Arias Calderon

PA0510202589 Panama City LA ESTRELLA DE PANAMA in Spanish 5 Oct 89 pp 1-4

[Text] Yesterday we learned about a reaction from the Panamanian opposition commenting on the uprising against General Manuel Antonio Noriega.

Guillermo Endara and Dr Ricardo Arias Calderon said the uprising "worsens the overall deterioration of the living conditions in Panama, which has evidently reached the Panama Defense Forces [FDP]."

"We deeply regret that several Panamanians were wounded and killed, and that hundreds were arrested," the two opposition leaders representing the Civic Democratic Opposition Alliance [ADOC] noted. They added that the crisis is worsening in all aspects and is "becoming a bit more dangerous."

Yesterday, the ADOC reported that former presidential candidate Guillermo Endara continues with his voluntary hunger strike at a safe place in Panama City. For security reasons, Endara was transferred on 3 October out of the Vallarino Building, where he was carrying out the hunger strike.

Arias Calderon said on 4 October that the uprising did not have the people's support.

Opposition Questions U.S. Role

PA0610020389 Paris AFP in Spanish 2308 GMT 5 Oct 89

[Text] Panama City, 5 Oct (AFP)—Using the phrase "the dog that barks does not bite," Panamanian opposition leader Ricardo Arias Calderon today questioned the role the United States played in the failed 3 October military coup against General Manuel Antonio Noriega.

Asked by reporters about the role U.S. Southern Command troops may have played during the uprising by young officers, Arias Calderon responded dryly: "I knew that the United States would not intervene because, as the saying goes, the dog that barks does not bite."

Arias refused to discuss the topic in depth and, responding to reporters who insisted on knowing his opinion concerning the U.S. troops' actions, he said: "You had better ask them (the Americans), because they know what they did and what they did not do."

Meanwhile, Arias urged Latin American governments to "clearly and firmly" react to the situation in Panama after the failed military uprising.

Arias Calderon, the leading political strategist for the Civic Democratic Opposition Alliance (ADOC), warned that the consequences of the uprising "are unforeseeable"

because of the "enormous degree of distrust" that now prevails within the Panama Defense Forces (FDP).

The opposition leader also pointed to the "incredible silence" which, in his opinion, was maintained by Provisional President Francisco Rodriguez—who was in New York—as well as other government leaders.

"All of them kept silent until the situation was defined," the Christian Democratic leader said.

Speaking in a dramatic tone, Arias said that the coup attempt proves that there is an "internal split" within the FDP, but "worst of all is that Panama is sinking into an abyss with all of its institutions."

"What good will it do Noriega to hold onto power if the country is sinking and the people reject him?" Arias insisted.

Based upon medical reports from sources he did not disclose, Arias said that the number of people killed and wounded during the military uprising "is much greater" than that reported by the FDP, which reported 10 dead and 26 wounded.

Arias likewise underscored that "there are serious doubts concerning the circumstances under which Major Moises Giroldi, the alleged leader of the uprising, was killed. Giroldi was commander of the Urraca Battalion, which was in charge of guarding the FDP General headquarters.

Reportage on Harassment of Guillermo Endara

Leaders Reappear at Conference

PA0510192889 Panama City ACAN in Spanish
1745 GMT 5 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—Panamanian opposition leader Guillermo Endara reappeared in public today after remaining in "hiding" for 48 hours for security reasons, as he said. He announced that he continues the hunger strike he began on 20 September.

Endara, who claims he is the "president-elect" as a result of the annulled 7 May elections, said that on 3 October he left the office where he maintained a hunger strike because "paramilitary men in the Dignity Battalions" (civilian militiamen armed and trained by the Panama Defense Forces, FDP) attacked the place with incendiary bombs early that same day.

Endara added that another reason that forced him to go into hiding was the frustrated military coup that same day against FDP Commander General Manuel Antonio Noriega "to prevent any reaction" against him.

Endara said that he will continue on a hunger strike to ask the Panamanian people to support the campaign called "Not One Cent More," aimed at boycotting the regime economically by delaying the payment of taxes and public services and refraining from buying state lottery tickets.

Endara, who appeared to be in good health, although he has lost some weight, said at the news conference that he had no knowledge of the coup against Noriega until 0800 on 3 October when the shooting started. He added that it "took him by surprise."

A medical report says that Endara's physical condition is what can be expected after 15 days of fasting. Endara said that he has not lost weight more quickly because his body has been retaining fluids.

According to Endara, he is only drinking water and taking the medicines prescribed by doctors and the "Eucharistic bread" daily. Endara will continue his hunger strike at an opposition office in downtown Panama City, located some 2 km from where he was on 3 October.

At the news conference, Endara was accompanied by Ricardo Arias Calderon, vice presidential candidate during the past elections, who said that contacts with Latin American leaders whom he did not identify have been increased. Arias added that he has stressed to them the need to increase pressure in order to achieve Panama's democratization.

Arias, who is president of the Panamanian Christian Democratic Party (PDC), said that there are three new opportunities to criticize Noriega: the "Group of Eight" meeting in Peru on 11-12 October, the summit of presidents from Ibero-American countries and the United States on 27-28 October in Costa Rica, and the OAS General Assembly from 11 to 13 November in Washington.

Arias stressed that the regime and the FDP are going through their "weakest" stage, which was evidenced by the coup attempt.

Arias said it was "incredible" that Provisional Panamanian President Francisco Rodriguez and Vice President Carlos Ozores did not make any public statement about the coup until after it was suffocated.

Arias, who also went into hiding during the past 2 days, stressed that "the regime is radically divided now."

'Gangs' at PLA Offices

PA0510181889 San Jose Radio Impacto in Spanish
1747 GMT 5 Oct 89

[Text] At 1245 Panama time we received a report that members of paramilitary gangs have surrounded the offices of the Authentic Liberal Party (PLA), where Guillermo Endara is in the 16th day of his hunger strike to promote the "Not a Single Cent More" campaign.

According to people in the PLA office, which is surrounded by members of the paramilitary gangs, Carlos Vares, Endara's right hand man, has already been arrested. Those inside the PLA office are calling on the people to go to the office to ensure that no harm is done to Endara. The telephone lines have not yet been cut, but

the PLA offices are surrounded by members of paramilitary gangs at the service of Manuel Antonio Noriega's military regime.

Further From PLA Offices

PA0510190889 Paris AFP in Spanish 1826 GMT
5 Oct 89

[Text] Panama City, 5 Oct (AFP)—This afternoon, paramilitary groups armed with automatic rifles surrounded the offices of the Authentic Liberal Party (PLA) in this city, where opposition leaders Ricardo Arias Calderon and Guillermo Endara were located, the Civic Democratic Opposition Alliance (ADOC) has reported.

"We are surrounded by some 50 armed men," one of the ADOC activists told AFP over the telephone.

According to the source, there are approximately 15 opposition leaders inside the building, including Guillermo Endara, who began a hunger strike on 20 September to promote a boycott on tax payments to the regime of General Manuel Antonio Noriega.

The building was surrounded a few minutes after Gen Noriega delivered a speech in Santiago, Veraguas Province, in the central area of the country, calling on his followers to hit "the undecided with sticks, the enemies with bullets, and friends with money."

Arrest of Endara Feared

PA0510215389 San Jose Radio Impacto in Spanish
1900 GMT 5 Oct 89

[Text] This is a last-minute report: Red-shirted groups, made up of criminals and former convicts calling themselves Dignity Brigades, are surrounding the crowd that is standing around the Vallarino building where Panamanian President-Elect Guillermo Endara is.

Blood could flow again anytime in Panama if paramilitary forces attack the citizens who are surrounding the Vallarino building to protect President Guillermo Endara. They already arrested one of Endara's closest supporters; they also arrested television cameramen and scared away photographers. This time around there will be no witnesses for the thrashing that Dignity Brigades will give the democrats.

These are the same groups that clubbed the people and Guillermo Ford. Television cameramen were present on that occasion. However, whatever happens in a few moments will perhaps be known by no one, because there are no witnesses, photographers, or cameramen, and newsmen are under death threats.

It is feared that in a few minutes the Dignity Brigade, supported by soldiers of Battalion 2000, will attack the Vallarino building where Guillermo Endara is. According to Attorney General Carlos Villalaz, there is a definite order; Noriega's order is to arrest Endara.

Endara's hunger strike has been more harmful to the dictator than any other weapon because it has made all the people support him in his civic and peaceful struggle called: "Not another cent for the dictatorship."

Attention, Ricardo Arias Calderon, Panama's vice president, in a very poor connection with our colleague Adolfo Ruiz, referred to the possibility of taking Endara to the Spanish Embassy. Armed civilian groups from Panama's DENI [National Department of Investigation] are on the verge of attacking the building where President Endara is staying.

[Begin recording] [Arias] At this time I am receiving worrisome reports regarding the building where President-Elect Endara is staying. This morning, between 1030 and 1130, we held a news conference to state the ADOC [Civic Democratic Opposition Alliance] point of view regarding the military uprising.

I left Endara around midday, and a half-hour later when I arrived where I am now, I was informed that the building where he is staying, the Arnulfista Liberal Center on Avenida Cuba, one block away from the National Lottery building, had been surrounded by armed individuals dressed in civilian clothes, who claim to be from the DENI.

These individuals arrested several people standing in front of the building, and it seems as if they have arrested some of President-Elect Endara's assistants, and I am very concerned over their fate. I have asked the Spanish Embassy, which is nearby, to send a representative to investigate President-Elect Endara's safety.

[Ruiz] Ricardo, Carlos Villalaz has ordered Endara's arrest.

[Arias] I do not know. Where did you get the information?

[Ruiz] He has ordered the arrest of the entire ADOC slate.

[Arias] Where did you get that information?

[Ruiz] I am asking you Ricardo. Has the order been given?

[Arias] No. As far I know that order has not been given. People from the DENI simply arrived, surrounded the building where Endara is staying, arrested several people who were outside—they probably arrested some of Endara's assistants who were on the center's upper floors—but as far as I know, no order has been given.

[Ruiz] Have you contacted any embassy to request help?

[Arias] Right now the Spanish ambassador is meeting with the French charge d'affaires, and he is contacting the EEC countries.

[Ruiz] What did you say at the news conference to annoy the dictator?

[Arias] We gave our assessment of the military uprising. We said the uprising was carried out by individuals responsible for the regime's security, related the fact that the best trained, professional officers and troops were involved, that civilian government figures did not support General Noriega but instead were silent during the conflict and were waiting to see who won the battle. Generally, we discussed the drama Panama is experiencing, with its resulting deaths, wounded, and hundreds arrested.

[Ruiz] Ricardo, could you explain how Endara is, how he has been today, what spirit is he in, what are the conditions of his health?

[Arias] I was with him during the news conference. He is still on the hunger strike, he is in good spirits but, obviously, affected by 16 days of a hunger strike. I am worried that he may be arrested under those conditions.

[Ruiz] Your assessment of the repression against the opposition leaders and mid-level political leaders over the past few hours?

[Arias] I do have any information on explicit orders, but the events occurring at this time may anticipate what [Villalaz] may have in mind. Christian Democratic [PDC] legislator Raul Ossa of Chorrera is still being held since his arrest 4 October. He was beaten during the arrest and he has not yet been released. Also being held are members of the PDC who were arrested in Capira on 2 October. Valerio Arauz and others who were arrested over a week ago are still being held. Therefore, the arrests continue and detainees are piling up.

[Ruiz] If there are democrats and members of the civic movement surrounding the building where Endara is staying, could they clash with the Dignity Brigades at any time?

[Arias] The information I had came by radio, and these were cut off a few minutes ago. I do not know what the situation is at the building. Up until approximately 10 minutes ago, when I contacted them by radio, I was told what I have just told you.

[Ruiz] [Question unheard]

[Arias] No. I simply ask you to report this as soon as possible so that the Panamanian people can be aware of what is happening. This is the current situation. The building where Endara is staying is surrounded by DENI officials dressed in civilian clothes. They have arrested several people, and there is concern that they may arrest Endara. [end recording]

Endara: 'Under Arrest'

*PA0510193989 Panama City ACAN in Spanish
1908 GMT 5 Oct 89*

[Text] Panama City, 5 Oct (ACAN-EFE)—Panamanian opposition leader Guillermo Endara considers himself "under arrest" by military security agents, who shortly

after noon (1700 GMT) surrounded the political offices where he made a public reappearance today to announce that he will continue the hunger strike he began on 20 September.

"I consider myself under arrest," Endara wrote in big letters on a sheet of paper he showed through a window of the political offices in Panama City, where he remains along with about 20 followers and aides.

Many plainclothes security agents remained stationed in front of the building, turning back reporters and curiosity seekers.

Endara told newsmen who managed to get close to the political party offices that one of his aides, Carlos Bares, was arrested by four armed men who entered the political party offices.

"I am human; I am afraid, but I will overcome this," the opposition leader also said.

According to opposition sources and several eyewitnesses, shooting was heard when the security agents arrived, but one soldier who identified himself as Lieutenant Montalvo told ACAN-EFE: "Nothing has happened here. We have not fired any shots."

Agents End 3-Hour Siege

*PA0510223089 Panama City ACAN in Spanish
2105 GMT 5 Oct 89*

[Text] Panama City, 5 Oct (ACAN-EFE)—Approximately 20 military security agents dressed in civilian clothes have ended a 3-hour siege at the building where Panamanian opposition leader Guillermo Endara is staging a hunger strike, and Endara has announced that he will continue the hunger strike at the same site.

Endara, who during the siege held up a sign that said "I consider myself arrested," said afterwards that at 1130 (1630 GMT) "a few guards entered and told us that we could not leave." This order involved himself and the 15 collaborators and sympathizers who were with him.

The agents later called Carlos Bares, Endara's personal secretary, and opposition reporter Melvin Ceballos, and took them to an unknown destination.

At that time, amid great confusion and fear—according to several eyewitnesses—Endara was under the care of two of his doctors, Rafael Melgar and Ricardo Velazquez.

"The guards shouted at us that we could not leave, and others were not allowed to enter the building," an opposition spokeswoman who was at the political headquarters told ACAN-EFE.

The civilian clothed agents withdrew at 1430 (1930 GMT), leaving approximately 10 uniformed policemen near the opposition headquarters in downtown Panama City, but they no longer blocked people's paths.

While the political headquarters lay under siege, Endara told reporters: "I am human. I am afraid, but I will overcome that fear."

General Manuel Antonio Noriega, chief of the Panama Defense Forces [FDP], called Endara a "clown" during a speech he made in the city of Santiago in the central part of the country.

Noriega, who reiterated his accusations with regard to United States' involvement in Tuesday's thwarted coup, said that when the uprising began, "the clown staging the hunger strike went out to eat so his stomach would be full for the Presidency, but he is all screwed up."

The opposition leader reappeared this morning in public, after going "underground" for 48 hours for security reasons, according to his own statements at the news conference before the military security agents arrived.

Endara explained that he will continue the hunger strike he began on 20 September to ask the Panamanian people to support the "not one cent more" campaign designed to economically boycott the regime by delaying the payment of taxes and public services and to refrain from buying state lottery tickets.

Armed Men Attack Site

PA0610024289 Panama City ACAN in Spanish
0224 GMT 6 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—According to many witnesses, armed men tonight assaulted the premises where Panamanian opposition leader Guillermo Endara was maintaining a hunger strike. Endara's fate is not known.

The assailants used tear gas, and broke all the windows with crowbars.

Several vehicles with troops were in the vicinity of the place in downtown Panama City where the incident occurred.

Leader Removed by Force

PA0610031789 Panama City ACAN in Spanish
0253 GMT 6 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—A spokesman for the coalition of opposition parties has reported that armed men tonight attacked the office where Panamanian opposition leader Guillermo Endara was maintaining a hunger strike and took him to an undisclosed location.

According to the spokesman, the assailants "beat up" some 15 people who were in the office.

The spokesman added: "They were very aggressive and violent. They took him (Endara), but we do not know where."

Several newsmen who tried to get close to the premises, the headquarters of an opposition party in downtown Panama City, were forced to leave the area. Some of them were hit by armed men, some in uniform and others in civilian clothing.

Safe Following Assault

PA0610040189 Panama City ACAN in Spanish
0325 GMT 6 Oct 89

[Text] Panama City, 5 Oct (ACAN-EFE)—After having been arrested, Panamanian opposition leader Guillermo Endara, who has been on a hunger strike since 20 September, is in a "safe location" thanks to the intercession of diplomats before top government officials.

Diplomatic sources told ACAN-EFE that Endara was taken to a "safe location" thanks to the intervention of Apostolic Nuncio Msgr Sebastian Laboa and Spanish Ambassador Tomas Lozano. No further details were provided.

Guillermo Cochez, vice president of the opposition Christian Democratic Party, told ACAN-EFE that Endara "is in an entirely safe location."

A spokesman for the coalition of opposition political parties had revealed earlier that armed men tonight attacked the political party office where Endara was maintaining a hunger strike and took him to an "unknown location".

Eyewitnesses said that they saw Endara being taken out of the office with his hands up in the air. The political party office is a few meters away from the Spanish Embassy.

According to the opposition spokesman, who asked that his name not be disclosed, the assailants "beat up" about 15 people who were in the office.

Witnesses said that the assailants, whom they described as members of the "paramilitary," threw tear-gas canisters and used crowbars to smash the office doors and windows, while squads of soldiers stood by in the area.

Several newsmen who tried to get close to the premises, the headquarters of an opposition party in downtown Panama City, were compelled to leave the area. Some of them were hit by armed men.

Hours earlier, in the afternoon, military security agents dressed in civilian clothing fired shots into the air, dispersing dozens of newsmen and other people who had converged in front of the office where Endara was staying.

From 1130 to 1430 (1630 to 1930 GMT) a score of policemen surrounded the office and would not let anyone in or out. They later arrested two of Endara's assistants.

Endara reappeared in public this morning, and told newsmen at a press conference—held before the military

security agents first showed up—that he had remained “underground” for 48 hours for security reasons.

Endara said that he would continue the hunger strike that he began on 20 September to ask the Panamanian people to support a campaign called “Not a single cent more.” The campaign is meant to boycott the regime economically by delaying the payment of taxes and public services and by not purchasing state-run lottery tickets.

Reportedly ‘Considering Exile’

PA0610154189 Paris AFP in Spanish 1457 GMT
6 Oct 89

[Text] Panama City, 6 Oct (AFP)—Opposition sources have reported that Panamanian opposition leader Guillermo Endara, who was held for ½ an hour by the police on 5 October, continues seeking refuge at the apostolic nuncio’s office in this capital, and is considering exile in Venezuela or the United States.

Endara, former presidential candidate of the Civic Democratic Opposition Alliance (ADOC) in the annulled May elections, was forcefully dislodged from the headquarters of the Authentic Liberal Party, where he was in the third week of his hunger strike, directed against General Manuel Antonio Noriega’s regime.

After the assault and Endara’s arrest by the police, Apostolic Nuncio Sebastian Laboa and Spanish Ambassador Tomas Lozano “negotiated” Endara’s release with provisional President Francisco Rodriguez, diplomatic sources said.

An ADOC spokesman said Endara “wants to stay in the country,” but acknowledged that “some advisers are recommending that he leave and, for this reason, is thinking of going into exile in Miami or Caracas.”

It has been charged that during the police operation on 5 October some ten newsmen were beaten and temporarily arrested by nervous troops who participated in the action, and some had their material confiscated.

Gen Noriega, who came out the winner in the military uprising of 3 October, announced on 5 October “an iron fist” against the opposition.

Liberal Party Expresses Support for Noriega

PA0510225589 Panama City LA ESTRELLA DE
PANAMA in Spanish 5 Oct 89 p 1, B-2

[“Declaration” issued by the Liberal Party in Panama City on 4 October]

[Text] In view of yesterday’s grave events, which were carried out by some lower ranking officers of the Panama Defense Forces [FDP], with disloyalty and the complicity of foreign elements, the Liberal Party [PL] publicly reiterates its commitment to struggle for our country’s definite liberation, and to firmly oppose the

reactionary forces that try to prevent the Panamanian people from achieving their deeply felt aspirations.

The Liberal Party’s tradition and its history throughout the country’s republican life enable it to authoritatively express basic views about the country’s situation in recent years.

It is known and confirmed that the United States has intentionally stopped complying with clauses in the 1977 canal treaties that are of vital importance to our country. It is also known that Law 96-70, which was passed by the U.S. Congress, was drafted and is doubtlessly being implemented to undermine the essence of the Torrijos-Carter treaties. Those treaties clearly establish that several gradual steps must be taken to carry out the return of the canal and its installations to Panama in 1999 and to achieve other goals so that Panama will exercise total sovereignty and jurisdiction over what was formerly the Canal Zone.

A few years ago, a prominent figure of the U.S. Administration at that time came to Panama to specifically ask General Manuel Antonio Noriega for the FDP’s direct cooperation, so as to permit—with our government’s approval—the passage of a foreign military force through our territory to the border with Costa Rica, so that it could attack the Nicaraguan Army, in an outrageous act of interference in the domestic affairs of that country.

Gen Manuel Antonio Noriega’s patriotic and vigorous refusal made those reactionary U.S. forces begin an international campaign of slander against the honorable military officer. Meanwhile, U.S. diplomats began to instigate the reactionary sectors in our country to carry out—as they did—intense seditious acts, with the objective of destabilizing the regime and bringing to power Panamanians opposed to the national liberation program in clear alliance with the U.S. Government.

It is clear that all these actions had the preconceived objective of preventing Panama from achieving its complete and total independence. That is why the PL has always opposed those actions, and today reiterates its sincere and resolute support for Panamanian President Francisco Rodriguez, Gen Manuel Antonio Noriega, and the high-ranking FDP officers who are honestly and patriotically determined to serve the country’s best interests and continue their programs to help the Panamanian poor achieve real economic and social well-being.

4 October 1989, Panama

Rodolfo Chiari, PL president

PDC Communique on Arrest of Leader Ossa

PA0510200789 San Jose Radio Impacto in Spanish
0330 GMT 5 Oct 89

[Communique issued by the Christian Democratic Party Press Secretariat in Panama City; no date given]

[Text] Raul Ossa, reelected legislator and vice president of Panama's Christian Democratic Party [PDC], was arrested at 1000 on 3 October 1989. Vice President Ossa was with his wife, Francisca, and children when he was intercepted by members of the Panama Defense Forces, belonging to the 10th Military Zone in Chorrera. Legislator Ossa asked them to let his family go, and they did.

The 10th Military Zone is commanded by Major Manuel Siero, who is General Manuel Antonio Noriega's brother-in-law. Maj Siero has maintained a personal grudge against legislator Ossa for many months.

On the morning of 4 October, the relatives of Vice President Ossa tried to take food and personal hygiene items to him, but were not allowed to enter the prison. Neither the food nor personal hygiene items were received.

There was a military rebellion against Gen Noriega on 3 October in which the rebel forces occupied several military quarters including the headquarters. In the afternoon, forces loyal to Noriega regained control of the headquarters.

According to the rebel's proclamation, their rebellion was strictly military in nature; they dissociated themselves from any political parties or other countries.

The arrest of PDC Vice President Raul Ossa is one of some other political arrests and jailings that have taken place in the past few days. Dr Ricardo Arias Calderon, PDC president and first vice president-elect of the Republic, was arrested together with eight other PDC leaders on 2 October. On that same day, four individuals in David, as well as three youths who were demanding the release of Dr Arias in Capira, were arrested.

Mrs Danlis Sanchez, Mr Valerio Arauz, and seven other employees of the Sigma Printing Press are still under arrest.

PALA Communique Calls for Defense of Fatherland

PA0610000789 Panama City LA ESTRELLA DE PANAMA in Spanish 5 Oct 89 pp 1, B-2

[Communique issued by the Labor Party (PALA) in Panama City on 3 October]

[Text] PALA communique:

The road which Panamanians must follow until 31 December 1999 is full of difficulties and ambushes.

The U.S. government arrogantly continues trying to undermine our resistance and dignity with their power by setting up an economic blockade, bribing people who succumb to coins, and making the poorest groups in our country suffer. Today's events are another proof of the U.S. aggression. The defeat of the traitors by the loyal forces is one more step forward in the struggle Panamanians are determined to wage to achieve our complete liberation.

We call on all PALA organizations—the political commission, national directorate, provincial, district, and corregimiento directorates, and all PALA supporters in the country—to maintain a firm position and to be willing to carry out any action for the defense of the fatherland and the struggle for national liberation.

We must remember that the fatherland comes before anything else.

Juan A Medrano, president

Ramon Siero M, secretary general

Panama City, 3 October 1989

Columnist on Arrival of U.S. Embassy Officials

PA0610144989 Panama City CRITICA in Spanish 6 Oct 89 p 8

[From "Today in the World" column by Luis Manuel Martinez]

[Text] Six Consuls...No Visas! The United States has changed personnel at its embassy on Balboa Avenue. Curiously enough, the new officials include Consul General Bragan McNamara, Vice Consul Andrea Ambrose, and four other vice consuls, this in a country where the granting of visas has been suspended. In addition, Timothy Smith, press attache, William Barr, public relations counselor, and Puerto Rican, Juan Cruz, of the Political Section have arrived. Some are experts in disinformation while others are spies of vast experience.

Welcome to Panama, land of well-being, where people who have worked for the United States for 86 years [as published] receive as sole payment for their proven friendship, a brutal aggression caused by arrogance and economic power. At a time of defending their sources of revenue and hegemony, there are no Republicans, Democrats or officials, there are only instruments of arrogance and subjugation. Welcome once again. The list with their names and photos is already circulating throughout the country. The embassy officers will not deceive anyone.

'Clown' Appointed To Head Southern Command

PA0510183589 Panama City LA REPUBLICA in Spanish 2 Oct 89 p 4

["By the Way" column by Justo Arroyo]

[Text] His name is Maxwell R. Thurman. Bush has appointed him to head the Southern Command, a non-existent, arbitrary, and illegal position, a position only supported by brutal U.S. force. Thurman is called Mad Max by his friends and subordinates because of his name, Maxwell, and because his favorite movie character is Mad Max, or crazy Max.

In the speech he made after taking command, Thurman repeated the same foolish and hypocritical remarks made by Marc Cisneros, commander of the U.S. Army

South. It seems that Thurman and Cisneros have a lot in common, including the fantasy world they move in.

Thurman said that he came to fight narcotics trafficking. Should we not laugh our hearts out? Should we not ask him why he does not first execute those 20,000 drug addicts the United States has stationed here?

Should we not tell him to board the first plane to the United States and shoot all the senators, representatives, governors, and mayors; all those Wall Street executives; and the entire young and adult population of the United States, which uses more cocaine and marijuana than the rest of the world combined?

Should we not tell him that his soldiers are so screwed up by drugs and AIDS that they keep killing each other, that they are unfit to pilot helicopters without crashing, that their orgies always end in killings of women, and that their inexperience and cowardice make them the greatest danger for the region?

No wonder he is called Mad Max. No wonder Bush appointed him down here. Thurman belongs to that group of hallucinating military men whose irresponsible acts were obvious in Vietnam. They are the military men without any sense of history or knowledge of the abilities of Third World countries. They are the military men who are roughly roused from their sleep by the noise of their shameful escapes, hanging onto the bars of the same helicopters with which they sadistically terrorized the people.

But, after all, what does one more clown matter?

Nationalization of U.S. Banana Company Suggested

PA061004489 Panama City LA REPUBLICA
in Spanish 5 Oct 89 p 5

["Vox Populi" column by Luis Restrepo entitled "The Adequate Response"]

[Text] "The multinational corporations are societies that own or control production activities, or provide services outside the country where they are registered." United Nations document...

We have learned that the "United Brands or United Fruit Company," better known to the Central American banana company workers as "Mamita Yunai," has withheld from the Panamanian Government more than \$25 million in taxes on the bananas exported from Panama. Spokespersons for the multinational banana corporation claim that they "have stopped paying their taxes because of orders from the U.S. Government, as part of the economic sanctions that the empire has imposed on Panama."

Those same "Mamita Yunai" spokespersons added that "despite the situation, they have made substantial profits as a result of a remarkable stabilization in the price of bananas on the international market."

As the company spokespersons, with their usual cynicism, said, the company is making a juicy profit as a result of the increase in the price of the fruit and keeping it. In this manner they are cooperating with the economic war that the United States has declared against Panama, its government, and its people.

At this moment, the Panamanian Government should act with the same energy and intelligence with which General Omar Torrijos acted when Panama declared the so-called "banana war" against the multinational corporation. As is happening today, back then the tropical fruit was selling at a very high price on the international market. However, "Mamita Yunai" was paying the banana-producing countries a pittance on the basis of agreements that were highly favorable for the multinational corporation. These agreements were signed with the rulers of the banana-producing countries behind the backs of the people.

At that time, and for the first time, talks began about uniting the Latin American banana-producing countries in a single bloc to defend their legitimate interests. "The banana war" yielded favorable results, despite the fact that not all the banana-producing countries joined the UPEB [Union of Banana Exporting Countries]. The producers received substantial benefits despite the multinational corporation's attempts to return to the past.

Regarding the United Brands refusal to pay its taxes to Panama, the Panamanian Government should move with the same boldness and intelligence used by Gen Torrijos. If we are at war, then, as long as the war lasts, let us nationalize the banana multinational corporation. Let us put the whole banana-producing process—the planting, picking, packing, export of the fruit—in the hands of the Panamanian authorities. By doing this, we can get our taxes and in addition we can find ways to get back what the company owes us.

However, and as I said a few lines up, to implement those measures we must be bold and give the multinational corporation the nationalist response that times demand. This is no time for doubt, hesitation, or fear of what "the attacking party will say." It is a matter of life and death. Not a single banana leaves the country if they do not pay their taxes in advance. Otherwise, the Panamanian Government, through its specialized institutions, will act in defense of its interests and, and above all, guarantee the workers labor benefits... We are sure that, just at it happened when the "banana war" was declared, the multinational corporation will accept the new rules of the game.

Health Ministry Blames U.S. for 3 Oct Casualties

PA0610152089 Panama City Domestic Service
in Spanish 1112 GMT 6 Oct 89

[Text] Health Minister Dr Jose Renan Esquivel has released a ministry communique pointing out that the U.S. Government is responsible for all the persons dead and wounded during the 3 October 1989 foiled coup.

inasmuch as there is sufficient evidence to determine the U.S. role in the events. Likewise, the Health Ministry communique noted that, along with the Panamanian people, the ministry will defend Panama's inalienable rights to determine its own fate as a nation, without any foreign intervention.

Reward Offered for Executing 'Traitors'

PA0610142489 Panama City CRITICA in Spanish
6 Oct 89 p 4

["Political Arena" column by Baltazar Renan Aizpurua:
"The Heads of the Traitors Have a Price"]

[Text] Mr Baltazar Renan Aizpurua

"Political Arena" column

CRITICA newspaper

Panama City

Dear journalist:

We have heard the statements you made about executing those who betrayed the national liberation plan. We heard the statement on Radio Nacional's "Liberation Trails" program, which you so honorably host. In response to your statement, a group of Panamanian businessmen have met and decided the following:

1. To pay a \$250,000 reward to the person or persons who execute the following traitors, wherever they are: Eric A. Delvalle, Juan B. Sosa, Jose Isabel Blandon, Gabriel Lewis Galindo, Alberto Garcia de Paredes, and Roberto Melanio Diaz Herrera. The latter people and other bad Panamanians, using money provided by the United States, have put a price on the head of General Manuel A. Noriega.

2. The reward money has been deposited in a numbered account in a Swiss bank. We will know how to contact whoever carries out this action. We have international connections, and there will be no difficulty in fulfilling this sworn commitment.

We do not believe it is necessary to explain that the traitorous activities carried out in complicity with the Reagan and Bush administrations by the persons listed here have pushed the Panamanian economy to the brink of collapse. Our once prosperous businesses have suffered an almost total collapse. Our decision, however, is

not based only on this materialistic motive. We have taken into consideration the latest events. We are certain money played a large role in the treason of the military men who stained their uniform with disloyalty to their institution and their fatherland.

We believe that if U.S. money has served to corrupt people who only yesterday enjoyed the trust of the community and their military superiors, then it is permissible for us to use our money to pay a reward to whoever executes the traitors listed here.

With the certainty that you will make our offer known, we use this opportunity to state our highest expression of respect, esteem, and consideration.

Respectfully yours,

Signed: (Ten signatures) [Signatures not listed]

Technological University To Resume Classes 9 Oct

PA0610003089 Panama City Televisora Nacional
in Spanish 2341 GMT 5 Oct 89

[Text] Rector Victor Levy Sasso announced this afternoon that Panama's Technological University will resume classes throughout the country on 9 October, except for the Colon regional center.

It was also reported that the schedule for night students will be modified for as long as the curfew continues in effect. For more information, those interested must go to their academic units, a university communique stated.

Curfew Changed; Now Begins at Midnight

PA0510231789 Panama City Televisora Nacional
in Spanish 2305 GMT 5 Oct 89

[Text] A last-minute report given to this station by an official source says that the current curfew will begin at 12 midnight [0500 GMT] beginning today. The curfew, as it was originally set up, will extend until 0500 [1000 GMT].

New RPC Radio News Director Named 4 Oct

PA0510163489 Panama City LA ESTRELLA DE
PANAMA in Spanish 5 Oct 89 p 24

[From "The Griper" column]

[Text] Yesterday, it was learned that the new RPC radio news director is Euclides Fuentes Arroyo, who works for the National Information System and participates in the Trails of Liberation program [broadcast by state-owned Radio Nacional].

Argentina

Bomb Explodes Outside Alfonsin's Office

PY0510113289 Buenos Aires DYN in Spanish
1106 GMT 5 Oct 89

[Text] Buenos Aires, 5 Oct (DYN)—Police have confirmed that a bomb exploded early this morning in front of former President Raul Alfonsin's offices in this city. The explosion broke the windows of neighboring buildings and a woman was wounded slightly in the arm.

The attack occurred at 0320 in front of the Ricardo Rojas Cultural Center, located at 132 Ayacucho Street, where the former president maintains offices for his political activities. The explosion wounded Beatriz Iero in the arm, damaged the doors and walls of the offices, and broke the windows of neighboring buildings.

Personnel from the 5th Police Precinct are investigating.

Menem Rejects Attack

PY0510183889 Buenos Aires Domestic Service
in Spanish 1600 GMT 5 Oct 89

[Excerpt] [Passage omitted] President Carlos Menem commented on the terrorist attack conducted early this morning against the Ricardo Rojas Radical Civic Union Committee offices. Menem condemned the attack, saying that this low-level terrorist attack must have been perpetrated by members of groups opposed to the democratic system.

President Menem made these comments very early this morning, shortly before leaving for San Martin de los Andes, in Neuquen, where he will take part in the Inter-American Congress of Indian Affairs. Menem said this about the attack on the Radical Civic Union office early this morning:

[Begin recording] The attack must have been perpetrated by one of those minority groups that oppose the democratic system. We all know that there are some animals—because they are like beasts—who want to distort the will of the people through bomb attacks such as this. [end recording] [passage omitted]

Official Says Missile Project To Continue

PY0510181089 Buenos Aires DYN in Spanish
1140 GMT 5 Oct 89

[Text] Buenos Aires, 5 Oct (DYN)—Air Force Chief of Staff Brigadier Jose Antonio Julia has said that Argentina will continue the Condor II missile project, over which some objections were reportedly raised in the United States during President Carlos Menem's recent visit.

Julia said that some questions regarding the missile were made to the president, "although very superficially." Julia stated, however, that there is concern in the United States, although "not at a high level."

"I thought that when I got to the United States the first thing they would ask me about would be the Condor II," but this was not so, Julia said. He pointed out that doubt prevails in the United States over the "possibility that Argentina will export their technology to some countries that could cause an imbalance of power in certain zones."

He made it clear that "the idea to manufacture the Condor came about in 1977-78 when the Air Force decided to develop the technology for a missile that would carry loads for a given distance. The idea is to place satellites into orbit, but with a change in the trajectory and the load, the missile could carry anything," alluding to the possibility "that the missile could be used to carry nuclear warheads."

Julia added: "I think that the United States is not concerned about the possibility that Argentina will master this missile technology because it would never occur to any reasonable person that we would launch it at the Malvinas, Chile, or a neighboring country. We are a defensive country. We are basically interested in this technology as a means to place satellites into orbit, and, furthermore, if it were to be used for other purposes, it would be as a deterrent. It never entered our heads to mass produce missiles and thus set up a missile defense system."

Brig Julia denied that Argentina would stop the Condor project in exchange for U.S. purchase of "Pampa" airplanes from Argentina. He said that the handling of the missile issue "is at a political level now."

"If the president decides against exporting technology, then this will be the policy. If he says that, as a sovereign country, we can export it to any country in the world, that will be the policy," Julia said.

The Air Force chief of staff said "it is very difficult" to enter the U.S. market, selling airplanes, because there is "much competition."

Speaking for PAGINA 12, Julia made it clear that if the United States purchases "Pampa" airplanes, it would be for an amount of \$7 or \$8 million. He pointed out, however, that this figure would have to be divided among the partners that would contribute with economic resources "so that the series is not discontinued with the 18th plane and we can continue to produce all 100 planes."

Julia said that "the idea would be to seek a joint venture with an American partner, or seek a joint venture with the Dornier Company, and then jointly seek a third U.S. partner."

Soviet Bank To Open Branch in Buenos Aires

PY0610010489 Buenos Aires DYN in Spanish
2055 GMT 5 Oct 89

[Text] Buenos Aires, 5 Oct (DYN)—An important landmark in trade relations between Argentina and the Soviet Union was announced today by Vladimir Forosenko, a delegate from the Vneshekonombank [Soviet

Bank for Foreign Economic Activities], who reported the "imminent" establishment of a branch of this bank in Buenos Aires.

The announcement, which is a step toward the definite installation of the Vneshekonombank branch, is part of Soviet leader Mikhail Gorbachev's policy of openness toward the West known as "perestroika."

The opening of this bank branch was announced during a conference on "Perestroika, Finance, and Soviet Banks and Their Relation to Argentine-Soviet Trade" organized by the Argentine-Soviet Chamber of Commerce.

Ferossenko reported that the bank will open in Argentina "in the next few weeks" and added that "it is the first branch of our bank to be installed in Latin America."

The Soviet bank delegate thanked the Argentine Central Bank authorities for "quickly approving the paperwork that has allowed the completion of this important event in the relations between the two countries."

During his lecture, which was attentively followed by about 50 representatives of Argentine banks and the commercial sector, Ferossenko said that "this is a unique bank."

He added that "new possibilities for joint development between the two countries will open." In reference to the creation of joint Argentine-Soviet companies, he said: "We will probably grant credits for operational activities, but any step toward this possibility must be studied carefully."

The Vneshekonombank has \$1 billion of capital and 2,000 branches in many countries.

The Argentine-Soviet Chamber of Commerce distributed a report after the conference that said that "in the past 2 years, the Soviet Union has signed long-term economic cooperation agreements with Argentina and Brazil."

In 1987 President Raul Alfonsin signed the Argentine-Soviet agreements that establish, among other things, the creation of joint Argentine-Soviet companies to build small factories for delivery as "turnkey" projects to third countries, particularly in Africa.

The Argentine-Soviet Chamber of Commerce pointed out "the importance of the Latin American market in world trade, as its internal market is much larger than that of Asia, indicating great possibilities for imports."

National Intelligence Center Chief Replaced

PY0510140089 Buenos Aires DYN in Spanish
1134 GMT 5 Oct 89

[Text] Buenos Aires, 5 Oct (DYN)—Juan Bautista Yofre, the head of the Secretariat for State Intelligence (SIDE), has relieved Carlos Canon, the head of the National Intelligence Center (CNI) of his duties. Yofre announced that former Catamarca Bank President Luis Rivet will replace Canon.

Yofre said that his decision has the support of President Carlos Menem and that Canon was dismissed after a meeting with the chief of state.

Yofre also pointed out that this "regrettable incident" occurred "not because I wanted it but because of Canon's unusual attitude in refusing to resign."

Yofre said: "Canon refused to resign twice: first, to me on 2 October; and yesterday, to Menem, claiming that he was supported by the chiefs of staff of the three branches of the Armed Forces and that the latter would pressure him to remain in his post."

Yofre added that Canon's remarks were untrue because the three military chiefs "told me that this was not under their jurisdiction and that it was purely an institutional political issue."

Bolivia

President Paz To Meet Peru's Garcia 10 Oct

PY0610022489 La Paz La Red Panamericana
in Spanish 0000 GMT 6 Oct 89

[Excerpts] Foreign Ministry Under Secretary Javier Murillo de la Rocha has confirmed that the Argentine and Bolivian under secretaries of foreign affairs, energy and hydrocarbons, and economy will meet in Santa Cruz on 23 and 24 October to analyze bilateral cooperation matters and gas contracts. [passage omitted]

Murillo also confirmed that the Bolivian and Peruvian presidents will meet on 10 October in Paracas, Peru. Their agenda includes bilateral matters ranging from economic cooperation and road improvements to joint actions to fight drug trafficking.

The under secretary also referred to the upcoming meeting of the presidents of Bolivia, Colombia, and Peru and said that it will be very important in view of the subjects to be discussed.

He also said that next week the Bolivian Government will define the agenda for the meeting between President Paz and Venezuelan President Carlos Andres Perez.

ADN Deputy Criticizes U.S. Drug Plan

PY0610023989 La Paz La Red Panamericana
in Spanish 0000 GMT 6 Oct 89

[Text] The ADN [Nationalist Democratic Action] has stated that drug trafficking will not be eradicated if the heart of the problem is not attacked through specific programs. Speaking for ADN Deputy Guido Camacho, president of the Credentials and Petitions Committee of the Chamber of Deputies, said that the repression of drug trafficking is the solution to the elimination of this crime. [sentence as heard]

Camacho criticized the U.S. plan against drug trafficking and maintained that using repression as the sole means of eliminating this crime does not solve the (main) problem.

The fight against drug trafficking should encompass combined actions to bring about a better standard of living for the coca leaf- and drug-producing areas.

Camacho said that there is a certain Bolivian dependency on a source of power like the United States which is not compatible with the eradication operations in the best sense of the [words indistinct] peace programs.

Brazil

Government Rejects Coffee Quota Reduction

PY0510150289 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Oct 89 Second Section p 4

[By Jose Carlos Santana]

[Text] London—Jorio Dauster, president of the Brazilian Coffee Institute (IBC), scared the international coffee market in London yesterday when he said that Brazil is not willing to give up part of its coffee export quota which is guaranteed by an international agreement in exchange for the increase of a few cents in the price of coffee.

He said: "The offer Brazil is getting in exchange for cutting 1 million bags from its quota would represent a price increase of 10 to 20 cents. This way the price would go to 90 cents, perhaps \$1, per pound. There is nothing to negotiate under those conditions. I cannot agree to them."

Dauster's frank comments to journalists, justifying the Brazilian position in the negotiations made an immediate impact in New York: The opening of the market showed an initial 5-cent drop in the already depressed coffee prices.

Dauster said that he does not see any possibility for reestablishing export control mechanisms in the short-term. He said: This is for various reasons: First, because the 74 member countries of the international agreement have not changed their position since the June 1989 conference, which was held when the mechanism stopped operating. Second, because the U.S. Government continues to demand a complete review of the agreement and to change the coffee sales policy to non-member countries, which are made at lower prices, and to change the export quota distribution system. Third, last June, Brazil changed its coffee sales policy and it will take some time to change it again.

Delegates of some Latin American countries made comments to the O ESTADO news agency. They did not hide some of their resentment over the position adopted by Brazil because they feel that the Brazilian Government is not making any effort to break the impasse. The harshest criticism comes from the Central American producers of mild coffee, who would benefit the most from the U.S.

proposal. They said that "the Colombians have shown the greatest interest in the agreement and they are making the greatest effort to solve the differences."

Engesa Sells Armored Vehicles, Trucks to Angola

PY0510190289 Sao Paulo FOLHA DE SAO PAULO in Portuguese 3 Oct 89 p A-10

[Text] Sao Paulo Engesa has sold "several dozen" Cascavel armored vehicles, equipped with 90-mm canons, to the Angolan Army. This was announced on the morning of 28 September by Lieutenant Colonel Zacarias Numdombe, 33, deputy chief of the Military Intelligence Service of UNITA [National Union for the Total Independence of Angola]—the guerrilla group that is fighting the Angolan Government. Numdombe made the announcement at Jamba, the guerrilla headquarters near the Namibian border.

According to Numdombe, the Cascavel vehicles are being kept in Luanda, the Angolan capital, and in Huambo, the country's second town, 400 km southeast of Luanda. He added that the vehicles have not been used yet. Numdombe told this newspaper that "the first Cascavel vehicles were delivered in 1987," and that "more vehicles were delivered in 1988." These deliveries have not been reported by Engesa [Specialized Engineers, Inc] nor by the "Military Balance," which is published by the London Institute of Strategic Studies in England.

Numdombe said that UNITA uses "hundreds of Engesa models 25, 50, and 100 military trucks" that have been captured from the MPLA [Popular Liberation Movement of Angola], which is headed by the Angolan Government. Our newspaper has found out that these vehicles are well suited to the heat of the African savannah, a region of desert temperatures consisting of woods, sandy soil, and wide grassy areas.

The UNITA workshops decided, however, to remove the second rear axle of the Engesa model 25 trucks which caused the tires to "skip" too much on the sand, which in turn prevented the truck from maintaining a good speed.

The Angolan guerrillas have some 1,000 vehicles, half of which were captured from the enemy. Most of them are South African Samil trucks, Soviet Zyl trucks, or Engesa trucks. As the guerrillas do not have spare parts for the Soviet and Brazilian trucks, they often have to improvise. Last week, the Jamba military workshops adapted a Zyl truck differential to fit an Engesa truck. According to reports, the "surgery" was entirely successful.

* Recent Election Poll Statistics Analyzed

33420089 Sao Paulo VEJA in Portuguese 30 Aug 89 pp 30-32

[Text] Brazilian politicians who are in the government and those who are only candidates all face a recognized problem living with certain statistics—the ones that bring bad news. When the politician is a member of the

government and the economy is doing poorly, he protests about the inflation figures, he blames "chuchu" [Brazilian staple], the decline in the rice harvest, beef speculators, and even the rise of the dollar on the black market. When the politician is a candidate and his campaign is not going well, the problem is laid to research institutions, which are accused of influencing, manipulating, or simply falsifying results in favor of his competitors.

Last Friday, IBOPE [Brazilian Public Opinion and Statistics Institute], Gallup, and DataFolha published a new round of statistics, in which the overall picture of the presidential race is still generally the same as in previous surveys. Fernando Collor de Mello, the PRN [National Reconstruction Party] candidate, is easily in first place, preferred by more than 40 percent in all three surveys. His nearest competitor, Leonel Brizola of the PDT [Democratic Workers Party], is some distance behind, with about 14 percent of the intended vote. The other candidates are dancing a minuet around third place, which sometimes goes to Paulo Maluf and sometimes is shared by Mario Covas, Lula, and Maluf.

Once again, there are complaints about the results. "There is manipulation in the way the surveys are released," declares Luis Ignacio Lula da Silva, of the PT [Workers Party]. "To me, the only figures that matter are election figures," says Ulysses Guimarães, of the PMDB [Brazilian Democratic Movement Party]. It is true that the [polls] are simply a sample of what the voters thought of the candidates last week, when the officials of the institutions interviewed voters throughout the country. It is also true, as Ulysses says, that the only poll that counts is the election. With fewer than 80 days remaining until the elections, it is impossible to guess what impact the free hour of television time will have on all the candidacies, because the programs will only be aired within 15 days of the election, but it is certain that the campaign picture today reflects a very specific situation: the continuing rise of Collor de Mello.

260,000 Votes a Day

Of all the candidates, Collor has grown the most: From 38 percent of the intended vote in the DataFolha poll 3 weeks ago, he has now reached 41 percent. He had 42 percent in the next to last Gallup survey; now he has 45 percent. Mathematically, it is easier for Collor than for any of his competitors to win 50 percent plus 1 of the valid votes cast on 15 November, which would guarantee him the seat in the Planalto Palace in the first round. To measure up to Collor, Brizola would have to overcome a 30-percent difference in 3 months of campaigning—which means, in practical terms, attracting 24 million new votes during this period, or 260,000 votes a day. In another statistical exercise, always bearing in mind that a preference expressed in an opinion poll is one thing and a vote is another, Collor de Mello must attract 4 million new votes to win on 15 November. There are those who believe that this leap, although seemingly small, is the hardest—and that Collor has already peaked

with the electorate. Nonetheless, there are those who believe that the election is already settled.

"Collor will take it in just one round," says Deputy Ricardo Fiuza (PFL [Liberal Front Party], Pernambuco). "I have already seen many elections decided in the last 30 days," declares PFL Deputy Francisco Dornelles, Rio de Janeiro. It is a recognized fact in the political history of the country that great champions in the polls end up torn to shreds on election day. In a dramatic campaign, in 1986, for example, Orestes Quercia, the present governor of São Paulo, had barely 12 percent in the September opinion polls and, in the end, took 36 percent of the votes. In this regard, however, it should also be remembered that several election campaigns have ended the way they began—with a candidate who led the race at every point. In 1986, for example, Alvaro Dias was elected governor of Paraná after tracing a linear trajectory in the polls. He went from 43 percent in September to 52 percent in October and reached 57 percent on 15 November.

Unfortunately for all the candidates whose names are not Fernando Collor de Mello, there is one statistic on electoral statistics—and it shows that most surveys are usually borne out. In September 1982, for instance, Gallup picked 10 favorites in the gubernatorial elections—and 9 of them won. In September 1988, DataFolha pointed to 10 favorites in the mayoral elections in the capitals—in the end, 7 of them came in first. These figures help to demonstrate that election polls are not some kind of voodoo to divine the results of an election. The study shows that there are more correct predictions than errors. The idea that the polls are always wrong even runs up against a problem of logic. If this were the case, it would be very easy to come up with the name of the winner: simply pick the candidate who came in last in the opinion polls.

Astrological Fascination

Despite the astrological fascination which they arouse in some politicians, election polls are bound by known rules, which take into account the proportion of rich and poor people in the country, the number of men and women, and even the demographic distribution of the respondents. Of the two most common types of survey, one, the so-called spontaneous poll, is limited to just one question: "For whom do you intend to vote in the 15 November elections?" If the respondent has already chosen a candidate and names him, the preference is noted. Otherwise, he will enter the ranks of the undecided. In the other type of survey, the stimulated response survey, the same question is asked. The difference is that, if the respondent says he has no candidate, he is asked to make a choice from a card in the shape of a wheel, on which the names of all the candidates are printed [like spokes]. It is obvious that a different question will produce a different result. In the spontaneous response survey, the number of undecideds is much larger and today is as high as 50 percent of the

electorate. In the stimulated response survey, the undecided group shrinks and the preferences increase. In the first case, the survey pinpoints precisely those voters who already know how they will vote on 15 November. In the second case, the survey shows what they could come to do on that day. One of the favorite arguments of Collor's opponents is that, in the spontaneous response survey, the preference for Collor is much smaller and the number of undecideds is quite large. This is true. But in that case, if DataFolha, for example, gives only 28 percent of the intended vote to Collor, and not 41 percent, as in the stimulated response survey, the fact is that his competitors suffer a huge loss. Brizola is left with 9 percent, Maluf and Lula with 3 percent and Covas with 2 percent. The rest are left in the dust.

Four Levels

One of the most intriguing aspects of the polls in the current phase has to do with the candidates who are doing a dance around third place. In the campaign committees, they all celebrate a gain of one of two points, but the fact is that such changes are just what they appear to be—insignificant. "Today, there are four established levels and the important thing is to see if any candidate has reached another level," declares Carlos Montenegro, president of IBOPE. "So far, this has not occurred," he adds. According to the pollsters, the four levels, which represent the real weight of each candidate, are set at 40 percent for Collor, 14 percent for Brizola, 5 percent for Maluf-Covas-Lula and, finally, candidates with less than 2 percent. "There will be a change when someone moves to another level, not when he gains 2 or 3 points," Montenegro explains.

There are a dozen candidates struggling to make this move between now and election day. There have been campaigns that have gone belly-up after the hour of free television time has begun. In other cases, it is believed that the change in preferences occurred because of events off-camera, such as the death of three workers in Volta Redondo last year, or a new disaster in the economic area, for example. As is known, these changes can always happen. For anyone who wants to reach the Planalto Palace, however, the urgent problem is how speedily Collor de Mello is approaching the 50-percent mark.

* Candidates on Nuclear Plan, Debt, Unemployment

* Views on Nuclear Policy

33420093 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 1 Sep 89 p B6

[Article by Roger Ferreira]

[Excerpts] Whichever candidate is elected president of Brazil the end of this year, the country will continue to invest in nuclear research, for the sake of technological development. The main candidates support Brazil's mastering of nuclear technology, but state that using

atomic power to produce electricity should be postponed until other available sources of energy are depleted.

Only candidates Paulo Maluf (PDS [Social Democratic Party]) and Ulysses Guimaraes (PMDB [Brazilian Democratic Movement Party]) support using atomic power immediately to generate energy. Ulysses claims that Brazil needs to use its enormous radioactive mineral deposits, and Maluf says that the regions with depleted hydroelectric potential need nuclear energy. Fernando Collor de Mello (PRN [National Reconstruction Party]) said that this energy requires the "social, political and economic maturity" of society. In Mario Covas' (PSDB [Brazilian Social Democratic Party]) view, Brazil has the ability to overcome its energy needs by the end of this century without resorting to nuclear power.

Guilherme Afif Domingos (PL [Liberal Party]) states that he prefers "clean" (nonpolluting) forms of energy, and that he would "try to deactivate Angra I." Candidate Robert Freire (PCB [Brazilian Communist Party]) cites an Eletrobras study that Brazil will only need nuclear energy after the year 2015. Luis Inacio Lula da Silva (PT [Workers Party]) and Affonso Camargo (PTB [Brazilian Labor Party]) also support postponing the use of nuclear energy.

Collor, Covas and Freire support splitting up the National Nuclear Energy Commission (CNEN), an entity that currently plans, executes and finances the Brazilian nuclear development program, so as to avoid accidents like the one at Goiania (see below). Collor states that those functions should be exercised by different organizations, to increase their efficiency. Covas supports the creation of an independent financing body. Freire would uncouple the CNEN from the national defense apparatus, subordinate it to the Ministry of Mines and Energy, and create a funding agency staffed by scientists.

Lula would like to create a "highly competent nuclear regulatory commission." Ulysses intends to maintain the entity "under the terms of the Constitution and the law." Camargo would "place it under society's control."

Only Lula says that if elected, he would not permit the manufacture of a nuclear propelled submarine. "We will transfer control of all military installations and laboratories to the National Council for Scientific and Technological Development (CNPq), including those at Aramar," he says. Collor would permit the construction of the submarine on the grounds that it would result in the development of technology for compact reactors. In Covas' view, suspending the project would be the same as denying Aerospace the development of jet airplanes.

Freire says that he is not against the country's "modernizing itself to defend its maritime frontier," but the submarine would have to be subordinate to his priorities. Camargo views the project as integral to the mastering of nuclear technology.

All the candidates declare themselves to be against the construction of an atomic bomb, but do not say whether

they would support Brazil's signing of the Nuclear Weapons Nonproliferation Treaty. Brazil's failure to sign has resulted in sanctions by Washington.

The candidates disagree on their evaluation of the nuclear development program in Brazil. Collor states that the plan is incompatible with the country's economic conditions. In Covas' view, the program has secretive aspects because the great powers do not permit the transfer of technology in that area. Ulysses says that the "parallel program" is important for the country's development.

Lula states that he would replace the "parallel program of a military nature" with a plan discussed by society and by Congress. For Freire, the Armed Forces' activities in the area of nuclear power should be submitted to the discussion of scientists and the control of Congress.

Lula Would Like To Cancel Agreement

PT Presidential Candidate Luis Inacio Lula da Silva would cancel the agreement with Germany if he is elected. To Roberto Freire, the signs of parallel programs developed by the military are "worrying," as they are not under international safeguards like the agreements with Germany. This treaty still has some programs in progress and is being renegotiated.

In Collor's view, the agreement has been "against society's wishes," and is not in the national interest. He qualifies the adjustments made until now by the government as "timid" and states that clear priorities should be defined, leaving aside the production of electricity. Lula states that he would not permit Angra 3 to be completed, and would only permit Angra 2 after "sufficient debate."

In Covas' view, the secret aspects of the Brazilian program should be submitted to Congress. He states that the project ceased to be parallel from the moment the government took it over.

Citing news on the Serra do Cachimbo wells and the secret Delta 2 and 3 bank accounts—which are being used in the parallel program—Freire mentioned three projects being developed by the military: the construction of the navy's submarine, Aerospace's enrichment of uranium using lasers, and the Army's attempt to produce plutonium, a fuel for atomic bombs. [passage omitted]

Ignorance on Topic

Several candidates demonstrated ignorance on some questions relating to nuclear energy. Afif Domingos said that "he would deactivate the two existing facilities." There is only one nuclear plant in operation in Brazil, Angra 1. Angra 2 and 3 are far from complete and work on them has been virtually suspended.

Afonso Camargo stated that Brazil, "thank God, has explicitly renounced development of the atomic bomb," when in truth the country has not signed any nuclear

weapons nonproliferation agreement, despite the Constitution's only permitting the use of nuclear power for peaceful purposes.

Candidates' Opinions

- 1. Do you intend to use nuclear power to generate electricity?
- 2. What will you do to prevent accidents like Goiania from occurring?
- 3. What will you do with the National Nuclear Energy Commission (CNEN)?
- 4. Do you intend to develop the atomic bomb? The nuclear submarine?
- 5. What do you think of the Brazilian nuclear program?

Collor (PRN): 1) The atom is the alternative of the future. 2) He would fine-tune legislation and create a public power apparatus. 3) He would divide it and create an independent funding body. 4) No. He would permit the submarine so as to develop technology. 5) Unrealistic, it needs to be reviewed.

Maluf (PDS): 1) Yes, in areas deprived of hydroelectric resources. 2) Split off funding responsibilities to the states and municipalities. 3) The CNEN should be an advisory body. 4) No. He said nothing about the submarine. 5) He would centralize projects.

Covas (PSDB): 1) No, but he would develop the technology. 2) Finance nuclear agencies. 3) Split it up. 4) No. He would permit the submarine. 5) He would develop Brazilian technology.

Lula (PT): 1) The atom is the alternative of the future. 2) He would create a funding commission. 3) He would transfer it to the scientific community and society. 4) No. He would not permit the submarine. 5) He would cancel the agreement with Germany.

Ulysses (PMDB): 1) Yes, in Brazil it is necessary. 2) Investigate and control facilities. 3) Maintain it within the terms of the law. 4) The Constitution calls for peaceful use of the atom. 5) He would develop technical controls.

Afif (PL): 1) No, and he would deactivate the existing facility. 2) He would adopt a nuclear policy appropriate for the economy. 3) He would create a funding body consistent with available funds. 4) No. He said nothing about the submarine. 5) He would prohibit secret activities.

Freire (PCB): 1) No, he would develop technology for the future. 2) He would create a financing body. 3) He would split it up and transform it into an administrative body. 4) No. He would permit nuclear propulsion. 5) He would integrate the scientific community and Congress.

Camargo (PTB): 1) Yes, he does not say when. 2) He would adopt legislation and international procedures. 3) He would improve its operation. 4) No. He would allow the submarine. 5) He would not allow secret projects.

* Candidates on Foreign Debt

33420093 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 27 Aug 89 p B5

[Article by Jose Roberto de Toledo]

[Text] Of the six candidates ranked highest in the latest opinion polls of the electorate, only PDS candidate Paulo Maluf unconditionally commits himself to a moratorium of payment on interest and principal of the foreign debt if he is elected. The others continue the practices begun by President Jose Sarney. The practice of the current government is to delay payments to creditors without declaring a formal suspension—which has been christened a "white moratorium."

The economic advisors for the two candidates with the highest rankings in the public opinion polls agree with each other: Zelia Cardoso de Mello (PRN) and Cesar Maia (PDT) call for maintaining Sarney's legacy, whatever it may be. Since the political onus of delaying payments has already weighed heavily on the previous government, there is no reason to discard that advantage during negotiations with creditors, they reason.

Only the PT unconditionally supports suspending payment of interest and principal on the debt. According to the party's top economic advisor, Aloizio Mercadante Oliva, Candidate Luis Inacio Lula da Silva's economic program identifies the outflow of resources as one the two primary causes of Brazilian economic destabilization. The PSDB has a similar view, but presents the moratorium as a recourse to be taken "if necessary" in its document, "The challenges of Brazil and the PSDB."

The country's foreign exchange reserves (deposits in foreign money and gold in the Central Bank) level is the central focus of the foreign question, in the opinion of PMDB economists. Maintaining these reserves at a minimum level (for example, \$10 billion), in order to avoid a hyperinflationary explosion such as occurred in Argentina, is considered a priority of the party, according to Secretary of Science, Technology, and Economic Development of the State of Sao Paulo Luiz Gonzaga Belluzo. The same reason is also cited by Minister of Housing Mailson da Nobrega, to delay payments to creditors.

From the time when it was shown that there would be no indication of an improvement in the flow of payments under a new president's administration, private lenders over the last few weeks have initiated a series of actions in an attempt to regularize the situation while still under the Sarney government. Citibank, the number one private lender to Brazil and president of the Advisory Committee of Lender Banks, is pressuring the International Monetary Fund (IMF) to come to a provisional agreement with Brazil.

The objective is to "unlock the finances" of other organizations, like the World Bank, as well as the private lenders themselves, who all follow the IMF position. To

make the promised payments by the end of the year without compromising reserves, estimates are that the country will have to take in close to \$3 billion in foreign funds. More conservative, representatives of the principal English banks and the Bank of Tokyo (Brazil's 8th-largest creditor) said last Tuesday that they would not accept a delay in Brazil's payments. They emphasized, however, the need for the country to come to an agreement with the IMF.

The differences between the candidates regarding the size of the debt begin with the strategy to reduce the debt and, as a result, the payments. The PT calls for a campaign to clarify the origins of the debt, to obtain public support for the moratorium. At the same time he wants to call together the indebted countries for joint negotiations. The PDS would trade all of Brazil's market reserves for a longer payment period, with interest rates calculated on the basis of rates in the secondary market.

In the PDT, the objective is to negotiate interest of around 4 percent per year and begin to reduce the flow of payments abroad, which are equivalent to 15 percent of all exports (today some \$450 million per month). In a similar vein, the PRN proposes paying the debt over 50 years (with a 20-year grace period) and interest rates fixed at 4 percent per year. Advisors of both parties propose decentralizing negotiations with the lenders. The PRN intends to withdraw the National Treasury's guarantee of the foreign debts of the states, municipalities and parastatal organizations.

The proposal trips up on the inconvenient fact that any legal impediment to the execution of the agreement signed between Mailson and the lenders must be resolved by the courts in New York (USA), where the banks will certainly will have an advantage. The PSDB also want to fix a rate of payment proportional to the volume of exports, or calculate the value of the interest rates to be paid based on the value of the debt in the secondary market (where Brazilian bonds are priced at some 30 percent of their face value).

Positions of Candidates on Foreign Debt

- PT (Aloizio Mercadante Oliva): Suspend payment to lenders. Hold a campaign to clarify the origins of the debt so as to obtain public support for the moratorium. Desired level of foreign reserves: \$10 billion.
- PDS (Miguel Colassuono): Maintain the payments. Try to exploit the contradictions between multinational and lending banks, proposing ending market reserves or facilitating the remittance of overseas profits in exchange for a longer payment period on the debt, with the interest calculated by the rate in the secondary market.
- PDT (Cesar Maia) Maintain the situation left by Sarney (whether it be daily payments or a moratorium). Negotiate lower interest rates (around 4 percent per year). Establish a maximum in the flow of payments abroad to 15 percent of the value of exports (currently around \$450 million per month). Try to

decentralize negotiations with lenders.

- PRN (Zelia Cardoso de Mello): Maintain the situation left by Sarney. Try to decentralize negotiations with lenders, withdrawing the guarantee of the National Treasury on the foreign debts of the states, municipalities and parastatals. Only pay what is possible. Intended level of reserves: \$8 billion.
- PMDB (Luiz Gonzaga Belluzo): Considers maintaining the foreign exchange reserves at high levels (minimum \$10 billion) to be essential, as well as centralizing exchange and containing the devaluation of the cruzado. Try to negotiate with lenders for reduction in the size of the debt and transfers overseas.
- PSDB (Luiz Carlos Bresser Pereira): Does not reject the moratorium as a means of achieving a reduction in the transfer of resources overseas resulting from payments of interest and principal. Among the mechanisms proposed to achieve this objective is securitization of the debt. Payment of interest in proportion to exports.

* Solution Lies in Development

33420093 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 20 Aug 89 p 12

[Text] Ideologies apart, the presidential candidates agree on the solution to the problem of the high unemployment affecting the country. All are unanimous in saying that revitalizing economic development is the only escape from the crisis. They also emphasize that only by stimulating new investment can labor, today dispersed throughout the market, find its destiny.

In the view of Economist Carlos Alberto Cosenza, however, the candidates' speeches lack specificity in the technical measures that each would take to propel the country's development. Clarification of this issue, says Cosenza, is what will differentiate them and make the voter's life easier. He believes that the candidates are avoiding making reference to these facts so as not to create a premature discussion with lenders and businessmen.

- Fernando Collor (PRN): I have not completed my plans to attack unemployment, but in my government the question will not be treated generically. It will occur with the reactivation of various sectors of industry and trade. By stimulating consumption, production is increased and the labor market heats up. This is a fundamental step for ending the most anguishing and challenging of Brazilian problems.
- Leonel Brizola (PDT): A change in the economic model and the stimulation of tiny, small and medium enterprises will be the blueprint of my policy for combatting unemployment. I intend to unlink the economy from foreign capital, which has been causing the deterioration in development. I want to direct public investments toward business initiatives that generate many jobs.
- Luis Inacio Lula da Silva (PT): I will implement true agrarian reform to give land to the workers who go to the cities in quest of survival, and I will combat financial speculation, establishing policies to recompense investment, work and production. Whoever wants money simply to generate more money through speculation and not through work will certainly have to pay for it.
- Paulo Maluf (PDS): The primary effort of my government against the true punishment of unemployment will focus on controlling inflation and renegotiating the foreign debt in a sovereign and solid manner. I would only pay the foreign debt with a discount. These measures will permit the country to regain economic development and begin to grow again, and as a consequence we will create millions of jobs per year.
- Guilherme Afif Domingos (PL): In 18 months my program of regaining growth, which will result in the generation of millions of jobs, will dry up the administrative machinery, limit the state's grasp on the economy, cut subsidies and renegotiate foreign and national debt. Today, existing resources are channeled into financing the national debt. We have to cut that evil down at the roots.
- Roberto Freire (PCB): Over the last 10 years, investments in productive sectors have been transferred to financial speculation. Since the private sector is not investing in production, and has opted for practicing no-risk capitalism, it falls to the state, in a socialist-oriented government, to prioritize policies that will develop the economy through public investment, creating millions of jobs.
- Mario Covas (PSDB): To knock down the high rates of unemployment, we will institute agrarian reform, focusing on the rural population and avoiding the swelling of the cities, and we will develop a new housing policy that, in addition to guaranteeing a roof for many, will generate millions of jobs. To minimize the problem it is fundamental that there be a more efficient system of unemployment insurance and a strengthening of the unions.
- Ulysses Guimaraes (PMDB): To create 2 million jobs per year, I will negotiate a reduction in payments on the foreign debt, and implement financial reforms with the creation of long-term credits to genuinely productive sectors, and the monetary and Central Bank reforms called for in the Constitution. Today, the levels of employment in industry are identical to those at the beginning of the 1980's, which is absurd.
- Aureliano Chaves (PFL [Liberal Front Party]): I shall identify the areas that generate the most jobs and then implement an investment policy that will place top priority on absorbing labor into tiny, small and medium-size enterprises. In addition, we will focus on the rural population through a significantly stable economic policy and a strengthening of revenues and modern technology.
- Ronaldo Caiado (PSD): Lower tariffs and attracting foreign investments with risk capital is the solution for unemployment. In addition, I am concerned about the large number of voters involved in the informal economy. This aspect I intend to resolve by lowering tariffs, demanding that all segments pay

taxes, and reducing the 27 current ministers to 12.

- Affonso Camargo (PTB): I do not have any magical formula to end unemployment in Brazil, since that is a question that depends fundamentally on the country's economic growth. I will stimulate industry to keep growing and to diminish speculation, and I will structure the government to provide education, health and low-cost housing. With our labor-oriented proposal, it is clear that we will achieve full employment.

Chile

Errazuriz Returns, Comments on East Bloc Ties

PY0610003389 Santiago Radio Chilena Network
in Spanish 1700 GMT 5 Oct 89

[Text] Foreign Minister Hernan Errazuriz stated today that the international community has been able to verify that all institutions of the Chilean democratic transition process are firmly in place and are calmly looking forward to the elections of December 1989.

Errazuriz made these remarks this morning at Pudahuel Airport upon returning from New York, where he attended the UN General Assembly and met with representatives of other countries and international organizations.

[Begin recording] [Errazuriz] I do not think I am the man who should be making an assessment. However, after a working trip with the Chilean delegation, I can say that the country's image abroad has changed a great deal.

[Reporter] Would you say, Minister, that the situation is now much better than in previous years?

[Errazuriz] Of course. I think the country has gone through different stages in its international relations over the past 16 years. We have had stages of understanding, of skepticism, of [word indistinct], to the extent that the country was experiencing progress in the economic, social, and political sectors. We have experienced in the past what I call the plot of silence, but we have now achieved a positive and constructive view of the real situation in the country. [end recording]

The foreign minister termed the contacts he made with the foreign ministers of Hungary and Poland very fruitful. He said that a Hungarian commercial delegation would arrive in the country within the next few days and that these two countries have invited Chilean representatives. He noted, however, that because of the current domestic situation it will be very difficult to accept those invitations.

Errazuriz added that Chile is not yet in a position to reestablish relations with the Soviet Union. He said that the country is willing to expand ties with the rest of the world provided that Chile and its institutions are respected. I think we have achieved good progress with the Soviet Union, but we are not yet in a position to reestablish relations, he said.

Regarding relations with the GDR, he said that officially it is still a complex situation although there are real and important commercial ties with a favorable balance for Chile.

Bombings Cause Blackouts, Damage Buchi Offices

PY0610033589 Santiago Radio Chilena Network
in Spanish 1700 GMT 5 Oct 89

[By Reinaldo Berrios]

[Text] Police sources have reported on eight extremist bomb attacks last night and early this morning against high-voltage towers, which caused blackouts throughout much of Chile, and against political organizations' offices.

Five high-voltage towers were knocked down with unspecified explosives yesterday at 2120: tower No 386 of Santa Rosa in the city of San Fernando; tower No 579 of (?Cuesta Echada) in Rancagua; tower No 543 in Graneros; tower No 148 in Olmue; and tower No 386, also in Graneros.

A later attack also seriously damaged tower No 207, located near km 43 of the Cinco Norte highway. A similar attack damaged tower No 579 of the Colbun-Machicura powerline network, located on the road to (?Curitil) near Buin, causing a partial blackout. Likewise, the base of tower No 2 of the Lajas-La Florida substation in the district of Puente Alto was damaged.

Other attacks involved two of presidential candidate Hernan Buchi's campaign offices.

A bomb explosion damaged doors and windows at a Buchi campaign office at the intersection of Duble Almeyda and Macul Street. Luis Garrido Sanchez, who was driving by the site of the explosion in his taxi cab, with license plate BH-3390, is suffering temporary deafness as a result of the bomb blast. The second attack took place at 7925 Elqui Street in the district of La Granja, where minor damages were reported.

Similar explosions took place at the main office of Diego Portales University at 253 Manuel Rodriguez Street and at a National Bank branch at the intersection of Pedro de Villagra and Vitacura Streets, which is near the house where presidential candidate Hernan Buchi is living.

Valparaiso Aylwin Rally Detainees Released

PY0510235989 Santiago Radio Chilena Network
in Spanish 1700 GMT 5 Oct 89

[Relay from Valparaiso by Jose Manrique Contreras]

[Text] Approximately 100 people who were arrested last night have been released. These people were arrested by Carabineros and accused of provoking disorder on the streets yesterday after the rally at Italia Park in Valparaiso, where opposition presidential candidate Patricio Aylwin appeared.

The detainees have been summoned to testify at the local court.

Candidate Accuses Carabineros of 'Beatings'

PY0610025189 Santiago Radio Chilena Network in Spanish 1700 GMT 5 Oct 89

[Text] Mrs Estela Ortiz, the widow of Jose Manuel Parada, has reported that she was mistreated and beaten by members of the Carabineros special forces during a march in Santiago yesterday to pay homage to MIR [Movement of the Revolutionary Left] Spokesman Jecar Neghme.

During that march the police used teargas grenades, clubs, and water cannons to disperse the rally on Alameda Avenue between Brazil and Bulnes Streets.

Mrs Ortiz, who is a PAIS [Broad Party of the Socialist Left] candidate for deputy in the 21st District—Providencia and Nunoa—was injured on the shoulder, left arm, and leg as a consequence of the beatings. Mrs Ortiz said this was a regrettable incident as she had to be taken to the third regional health center; her wounds could not be bandaged here because of the lack of first aid material.

She was released in the evening along with seven other detainees. Mrs Ortiz lamented the fact that she could not participate in the anniversary of the Vicariate of Solidarity, where her husband used to work before he was murdered in March 1985. [recorded passage indistinct]

Mrs Ortiz thanked the Vicariate of Solidarity for the negotiations it is carrying out to arrange for the people detained during yesterday's march to be placed at the disposal of the regular courts as opposed to the military's. All eight people detained yesterday, including Mrs Ortiz, must testify before the fourth local Santiago court judge tomorrow.

Lawyers File Petition for Release of Four Detainees

PY0610032089 Santiago Radio Chilena Network in Spanish 1700 GMT 5 Oct 89

[Text] Lawyers Fernando Zelani and Jorge Darrigrande Silva have filed a petition for a court injunction on behalf of four people who were detained this morning near La Moneda Palace. The detainees are: Mauricio Garcia, president of the Students National Council; Miguel Serrano, vice president of the Green Party; Mauricio Cuevas, secretary general of the Student Federation of Chile; and Eduardo Guissen, vice president of the Student Federation of Chile.

The people were detained while they were participating in a Youth Movement for Democracy initiative. They tried to present a blue envelope, addressed to the president of the Republic, at La Moneda Palace.

The petition to the court states that in accordance with the report, there are no legal reasons to justify these arrests. It adds that these people were only making use of

their constitutional right to make respectful petitions to the authorities, as was the case in this incident. The defending lawyers have therefore asked that the detainees be released immediately.

Carabineros Squelch 'Unruly' Santiago Demonstration

PY0610015089 Santiago Domestic Service in Spanish 2300 GMT 5 Oct 89

[Text] Opposition coalition militants staged an unruly demonstration in Santiago this afternoon. The situation was brought under control by the Carabineros, who used tear gas to break up the demonstration.

Police arrested nearly 100 demonstrators after they attacked and destroyed traffic signals and park facilities in downtown Santiago. The placard-toting demonstrators disseminated pamphlets with the names and pictures of opposition candidates. The demonstration turned unruly on Alameda Avenue near 18th Street, close to the Plaza Italia. Here demonstrators tried to block traffic and march to commemorate the 5 October 1988 opposition victory. Carabineros used tear gas to disband the demonstrators—mostly young people and students—some of whom threw rocks at the police and passing cars and tore down signs and park facilities in an attempt to build barricades.

A small number of cars later lined up to demonstrate throughout the downtown area. The demonstrators carried flags and signs with the symbols of the opposition coalition.

Enterprise Discovers New Oil Deposits

PY0510125789 Madrid EFE in Spanish 1942 GMT 4 Oct 89

[Text] Santiago, 4 Oct (EFE)—The National Petroleum Enterprise (ENAP) today announced it has discovered an important oil deposit in Isla Grande, Tierra del Fuego, 2,400 km south of Santiago.

The source said the oil was found at a depth of over 1,800 meters and that geologists think it could be part of "a large reserve."

The well was named Gaviota P-K-1 and it could be as important as the well-known Springhill well which began operation in 1945 and is considered the largest oil producing well in the country.

Chile produces approximately 40 percent of the fuels it consumes. The rest is imported.

New Supreme Court Justice Takes Oath of Office

PY0610015489 Santiago Domestic Service in Spanish 2300 GMT 5 Oct 89

[Text] Acting President of the Supreme Court Henrique Correa Labra today administered the oath of office to new Supreme Court Justice Hernan Alvarez. Alvarez is 58 years old and the youngest member of the Supreme

Court. He is the last judge to be designated after the deadline set for other justices to voluntarily retire with a bonus of 14 million pesos.

Delegation Appointed To International Aviation Board

PY0510125589 Santiago EL MERCURIO in Spanish
28 Sep 89 p C-11

[Summary] Civil Aviation Director General Jaime Lavin Farina has reported that Chile has been chosen to join the Board of Directors of the International Civil Aviation Organization, ICAO, for the next 3 years. He added that the Chilean delegation has received the overwhelming support of all delegations attending the world ICAO meeting in Canada.

After difficult negotiations, the proposal to designate Nicaragua was withdrawn. This move allowed Chile to become one of the board members, a proposal that was approved by most countries participating in the ICAO world session.

Colombia

Border Problems Discussed With Venezuela

Commissions Meet

PA0510221689 Bogota EL SIGLO in Spanish
2 Oct 89 p 6a

[Text] The government commissions of Colombia and Venezuela concluded on 1 October a 2-day meeting in which they analyzed the main common problems in their border areas.

The border problems, illegal immigration and international rivers that flow through Colombian and Venezuelan territory, were matters discussed by the representatives of the two countries.

Pedro Gomez Borrero and Carlos Holguin, members of the Colombian Commission, and Isidro Morales Paul and Rafael Pizani, members of the Venezuelan Commission, expressed their satisfaction about progress in the talks.

The two countries share an over 2,000 km border, which is the constant site of drug trafficking and subversive and contraband activities, as well as the site of illegal immigration and other crimes. The Colombian and Venezuelan commissions stated in a communique on 1 October that the main object of the meeting was to establish procedures to be followed in handling and solving the common problems of these two countries.

Representatives of Presidents Virgilio Barco of Colombia and Carlos Andres Perez of Venezuela pointed out that one of the first steps is to establish a means of negotiations in the search for solutions to the stated problems.

Presidents Sign Accords

PA0610014689 Bogota Inravisión Television
Cadena 1 in Spanish 1730 GMT 5 Oct 89

[Text] Colombian and Venezuelan Presidents Virgilio Barco and Carlos Andres Perez, respectively, a few minutes ago signed a six-point document of cooperation and understanding at the Simon Bolivar International Bridge on the common border. The presidents received a preliminary report from the bilateral commissions and talked about the antidrug struggle and subversion.

When the Barco-Perez meeting was held on 8 March, the true integration of the two friendly countries was being sought. In this meeting, four accords and an agreement were signed.

[Begin recording] [Barco] The same 30 men of Angostura laid down the foundations of our civilian and representative democracy and drafted the first Constitution of a common fatherland that was then called Colombia.

[Perez, in progress] ... truth our purposes of cooperation and understanding. At this time, we are showing that we want to pursue the objectives of our first meeting. We support the extraordinary and admirable struggle that Colombia has been waging against an enemy of mankind, drug trafficking. [end recording]

The agreement included arrangements to combat drug trafficking jointly. The accords deal with the exploitation of the natural and human resources of the two nations. The projects to be implemented include the Orinoco hydroelectric plant and the utilization of the Paraguanichon and Carraitia hydrographic basins. It was agreed that SENA [National Apprenticeship Service] and INCE [National Institute of Cooperative Education] will train personnel in technical studies. President Perez confirmed his support for Colombia and expressed satisfaction over his meeting with Barco.

The meeting will conclude at approximately at 1400. Barco will take advantage of his visit to Cucuta to deliver the titles of 135 homes to natural disaster victims.

Barco Appoints Three Cabinet Ministers

PA0610021489 Madrid EFE in Spanish
0140 GMT 6 Oct 89

[Text] Bogota, 5 Oct (EFE)—Colombian President Virgilio Barco today appointed three new ministers to the government, justice, and communications portfolios.

Carlos Lemos Simmonds, Roberto Salazar Manrique, and Enrique Danies Rincon are the new ministers of government, justice, and communications, respectively.

Lemos Simmonds, who was communications minister and acting justice minister, replaces Orlando Vasquez Velasquez.

Salazar Manrique replaces Monica De Greiff, who resigned recently, and Danies Rincon replaces Lemos Simmonds.

Politicians React to U.S. Visa Restrictions

Senators Debate Charges

PA0610042989 Hamburg DPA in Spanish
2332 GMT 5 Oct 89

[Text] Bogota, 5 Oct (DPA)—Colombian presidential hopeful Alberto Santofimio Botero, whose U.S. visa was revoked because of his alleged involvement with drug traffickers, defended himself from these charges and disclosed the names—without offering proof—of leading politicians who have received financial aid from the mafia.

These remarks were made during a congressional debate called by Santofimio Botero and Senators Bernardo Guerra Serna and Juan Slebi Slebi, who have also been accused by the United States. Other speakers at the debate were Government Minister Orlando Vasquez Velasquez and Foreign Minister Julio Londono Paredes.

Santofimio Botero, a hopeful for the ruling Liberal Party, pointed out in a speech that lasted almost 3 hours that Colombian political figures such as former Presidents Alfonso Lopez Michelsen and Belisario Betancur Cuartas had received financial aid from the drug cartels.

Santofimio Botero told congress that he has photocopies of checks allegedly issued to the former presidents, although he said that he would not present the proof to avoid adding to "the nation's disruption by conducting moral terrorism."

The senator likewise pointed out that he has "copies of donations from people who allegedly financed Cesar Gaviria Trujillo," one of his rivals for his party's presidential nomination.

Santofimio Botero added that he also has copies of checks given to Senator Ernesto Samper Pizano, another Liberal hopeful, at a well known hotel.

The situation that led to the debate was the divulging by newspapers of an apparent "black list" of Colombian senators whose visas were cancelled by the United States because of their alleged ties with cocaine trafficking groups.

On that list, in addition to the senators who called for the debate, are Senators Jairo Ortega Ramirez, Enrique Rafael Caballero, Rafael Perez Martinez, Jaime Vargas Suarez, Victor Eduardo Dangond, and Gilberto Florez Sanchez.

A former senator, Samuel Alberto Escruceria, currently serving time in a U.S. jail on charges of drug trafficking, is also on the list.

When his turn came, Slebi Slebi accused Washington of promoting "moral terrorism" in Colombia, and pointed

out "I would not be surprised if the 2,000 Patriotic Union (the largest left-wing political party) deaths had been inspired by the Drug Enforcement Agency, as happened in the murder of Luis Carlos Galan," the presidential hopeful shot to death on 18 August.

Galan's assassination was perpetrated by the Medellin drug cartel, according to secret police investigations, which have already led to the capture of two mercenaries who confessed to having committed the crime on the mafia's behalf.

Foreign Minister Critical

PA0510133889 Bogota Radio Cadena Nacional
in Spanish 1210 GMT 5 Oct 89

[Text] Foreign Minister Julio Londono Paredes reported that the U.S. Embassy sent him a document notifying him that it has received 115,000 visa requests from Colombians, of which 85,000 were granted and the rest rejected. At the Senate on 4 October, Londono Paredes requested that the U.S. Government stop the procedure it has implemented thus far preventing Colombian citizens—whom authorities have not linked to drug trafficking—from entering the United States. Londono said the charges made against Colombian parliamentarians are slanderous and now the U.S. Embassy is distrustful of these citizens.

Londono said the position adopted by the U.S. Embassy is one of remaining silent; this silence then becomes a weapon to coerce Colombian citizens. As foreign minister I am proud to have waged a struggle during the past 3 years along with the Social Conservative Party, the Patriotic Union, and Colombian society in defending Colombians from the actions of many governments who have attempted to brand as outlaws those citizens bearing Colombian passports. Londono added that it is terrible that many Colombians who simply want to go to the United States to see Mickey Mouse are denied this right.

Peru

Garcia Criticizes U.S. Antidrug Plan

PY0510170489 Madrid EFE in Spanish 0330 GMT
5 Oct 89

[Text] Lima, 4 Oct (EFE)—Peruvian President Alan Garcia has asked some European nations to attend the presidential meeting of the coca producing countries and U.S. authorities at which the drug-trafficking issue will be discussed.

Garcia said that the proposal was addressed to the French, Italian, and Spanish chiefs of state, Francois Mitterrand, Giulio Andreotti, and Felipe Gonzalez, respectively.

During a news conference to foreign correspondents, Alan Garcia said that Europe must attend this meeting

because it is a strong drug market and because of the links between drug-trafficking gangs and terrorists.

Garcia criticized the plan proposed by William Bennett, the White House's main adviser for drug trafficking affairs, on the grounds that it "lacks seriousness and is inconceivable." The plan provides for \$250 million in aid for Colombia, Bolivia, and Peru for fighting drug trafficking in 1990.

The Peruvian president said that this amount is "ridiculous" if compared to the \$8 billion that the Bennett plan assigns for fighting drug trafficking in the United States, and with the \$300-billion U.S. military budget.

Alan Garcia criticized the fact that the United States gave Colombia "planes from the Korean war era and old helicopters that were used here (in Peru)."

He said that the United States should not form alliances with governments but with coca farmers, and that it should implement comprehensive replacement programs including guaranteed sales.

"Peru does not have drug addiction problems, but an agricultural system which has been distorted by the U.S. demand," Alan Garcia added, noting that the most fertile Peruvian land is dedicated to coca farming.

Alan Garcia said that if the 200,000 hectares of coca farms in Peru (which account for 60 percent of world production) are "drastically eradicated," more than 400,000 peasants will be left "in absolute misery," adding that these peasants may join the subversive groups operating in the coca-producing zone of Alto Huallaga, in the Amazonian region.

"If the United States has lived with drug addiction for decades, I don't see why it now wants to drop kind of atomic bomb on the Huallaga zone," he added.

The Peruvian president declined to comment on a U.S. charge that General Guillermo Arciniegas, chief of the Huallaga military zone, has used drug traffickers' money to fight terrorists.

"Just as we have never said that U.S. officials or policemen are accomplices of drug addicts, we cannot tolerate the charge that those who fight subversion in Peru are accomplices of drug producers," he noted.

'Terrorist' Attacks Endanger Summits

35 Killed in 4 Attacks

PY0610042089 Madrid EFE in Spanish 0350 GMT
6 Oct 89

[Text] Ayacucho, 5 Oct (EFE)—Ayacucho military sources today reported that 35 people have died in attacks carried out by approximately 150 Shining Path members on 4 towns on the border of Ayacucho and Huancavelica Departments.

The attacks took place at dawn on 4 October in the towns of Santo Tomas de Pata, Pulluhuan, Anta, and Rosaspata. Twenty-six peasants were killed and 9 rebels died at the hands of members of the civilian militia, who resisted the attacks despite their primitive weapons.

The zone where the terrorist attacks took place—and in which 15 peasants were also seriously wounded—is located 60 km northwest of this city. The other towns that suffered attacks are located in Santo Tomas de Pata District, Huancavelica Department, and in San Pedro de Cachi District, Ayacucho Department.

The military sources reported that in Anta and Pulluhuan, the terrorists set two schools and several houses on fire, killed cattle and domestic animals, and seized large amounts of basic goods.

They added that the injured were brought to this Andean city, 575 km southeast of Lima and Huanta.

The 4 October attacks on these towns were followed today by a series of eight bomb attacks. These attacks were carried out in several parts of the city, one against the national police headquarters, which is located 300 meters from the main square.

Gunshots and explosions were heard at police headquarters, but no casualties were reported.

Bomb attacks were also carried out against the state energy company, located in downtown Ayacucho, causing blackouts in several areas. Explosions were heard in the Carmen Alto, San Juan Bautista, Magdalena, Capillapata, and Conchopata neighborhoods and at San Cristobal de Huamanga University.

These attacks launched by the Shining Path in Ayacucho over the past 24 hours are part of the escalating violence that has affected several parts of the country, only 5 days before the start of two presidential "summits" that will be held in Ica Department, located in the southern region of Peru.

The presidents of Bolivia, Colombia, and Peru are scheduled to meet to discuss the drug-trafficking issue on 10 October in Paracas. The "Group of Eight" summit (comprising Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela) is scheduled to be held 11-12 October in Ica, the capital of the department.

3 Civilians Killed in Huanta

PY0510144689 Madrid EFE in Spanish 0330 GMT
4 Oct 89

[Text] Ayacucho, 4 Oct (EFE)—According to military sources today, three members of the peasant defense patrols were murdered by a column of Shining Path members and another two were wounded during an attack on Huanta in Ayacucho Department.

On 3 October, the terrorists invaded Calluchaca village, 7 km northeast of Huanta, and attacked the members of the

local "peasant defense patrols," including their 38-year-old president, Fidel Quispe, and set their houses on fire.

As a result of the attack, Quispe, Isidoro Saune, and Dionisio Aguirre were killed. Federico Paquillauvi and Cirilo Quispe were wounded, according to the sources.

Members of the peasant defense patrols, in addition to opposing the Shining Path, participate in the Peruvian flag-raising ceremony every Sunday at Plaza de Armas in Huanata. The ceremony is headed by the local military authorities.

Police Kill 2 'Terrorists'

*PY0610020289 Lima Television Peruana in Spanish
1800 GMT 5 Oct 89*

[Excerpt] Two presumed terrorists were shot to death after a thwarted attack on a patrol car that surprised them as they were painting subversive slogans on walls. The incident occurred at 0500 in the Magdalena District. The dead subversives were identified as Graciela Cervantes Riva de Neira and Demetrio Norelos Sanchez.

The terrorists were shot and killed in the yard of a private home on Primero de Julio Street after they tried to attack a patrol car. Police pursued the individuals for several blocks before they were cornered and killed. Police found plenty of subversive propaganda from the Shining Path terrorist movement on the bodies of the terrorists.

A police patrol discovered the group of subversives as they were painting slogans at the corner of Brasil and La Marina Avenues. The eight individuals, including three women, fled when the patrol discovered them. The patrol pursued the individuals, who managed to throw a bomb that almost destroyed the police van, and cornered them on the third block of Amazonas Street. [passage omitted]

Soviet Tanker Permitted To Join Fishing Fleet

*PY0610001089 Lima EXPRESO in Spanish
27 Sep 89 p 7*

[Text] The Peruvian Navy has granted permission for a second fuel tanker to join the Soviet fishing fleet. The fishing fleet, which has been authorized to fish in Peruvian territorial waters since the Peruvian-Soviet fishing treaty was signed, now includes 28 ships.

The newest vessel is a 10,948-ton tanker named the "Kapitan Rudenev." It will supply fuel to the other factory ships now operating in Peruvian waters.

Of the 28 ships fishing along the Peruvian coast, 5 are mother ships transporting the catch and 2 are tankers carrying fuel for the other vessels.

Uruguay

Barrios Tassano on Need To Change Policies

*PY0510035489 Madrid EFE in Spanish 0054 GMT
4 Oct 89*

[Text] United Nations, 3 Oct (EFE)—Uruguayan Foreign Minister Luis Barrios Tassano today pointed out at the UN 44th General Assembly that ideas and economic policies must be changed in a revolutionary way to create a new development strategy.

Barrios said this strategy must be dynamic and flexible. He added that to fight poverty and underdevelopment, we must end protectionism and facilitate the access of Third World countries to the developed countries' markets.

He said the consolidation of democracy in Latin America has been successful, although hard to achieve, because democracy can only be consolidated when the economic situation of the people allows them to meet their basic material and spiritual needs.

"The economic and social components of a democracy ultimately determine this democracy's viability and stability," he said.

He said that underdevelopment is humanity's main problem. He added that in Latin American and African countries, there has been a social deterioration that endangers their political institutions and "consequently jeopardizes international peace."

Barrios said the transfer of financial resources—with which the southern, developing countries pay their debt to the northern, developed countries—"must be stopped immediately."

He said it is "encouraging" to see that the creditor countries have accepted their share of responsibility for the Third World debt and that they are ready to seek ways of reducing the burden of the debt on the Third World's choked economy.

In the new strategy to achieve development, Minister Barrios included the efforts to preserve the environment. He pointed out that each country is responsible for the protection of its environment, although there must be international cooperation to achieve that goal.

He rejected the idea that the cost of the efforts to preserve the environment must be shouldered by some countries that are struggling to make better use of their unexplored natural wealth. He also rejected the attempt "to condition those countries' sovereign decisions to orders from abroad."

PIT-CNT Calls General Strike for 9 Oct

*PY0510184489 Montevideo Radio Sodre in Spanish
1500 GMT 5 Oct 89*

[Text] The representative board of the PIT-CNT [Inter-Union Workers Plenum - National Convention of

Workers] has called a 24-hour general strike for 9 October. The decision was made during a session at the teachers union headquarters, after the executive secretariat of the labor central approved the measure this morning.

Through this general strike, the workers will express solidarity with the striking teachers who are defending public education; demanding improved salaries, jobs, and laws; and rejecting privatization.

The partial strike that was called for 1500 on 10 October has thus been suspended; however, it is understood that several unions will march to the legislative palace.

Venezuela

* Price of Crude for Export Increases

33480277a Caracas EL NACIONAL in Spanish
12 Aug 89 p D9

[Cayetano Ramirez: "Oil Prices Go Up in Venezuela and on Entire Market"]

[Text] Prices for the main types of crude oil and products have steadily risen this past week, with accumulated increases of between \$0.40 and \$0.60, according to some of the best-known trade publications.

The European crude gage, Brent del Mar del Norte, rose \$0.40 from one Friday to the next and yesterday's price was up \$0.35 over the preceding day, reaching \$17 a barrel. West Texas Intermediate, WTI, in the United States showed an increase of \$0.40 this week, quoted at \$18.60 yesterday. Bonny Light of Nigeria went up to \$16.95, an increase of \$0.40, and Dubai in the Persian Gulf rose to \$15, up \$0.35.

This upward trend of oil prices on international markets was also reflected in Venezuelan crude. Tia Juana Light, T.J.L., rose to \$18.62, up \$0.58, and BCF-24 rose by \$0.22 to \$15.84, placing it among other types of crude with the most significant increases.

At the same time, the prices of the main oil products have also gone up, with marked increases of some \$0.80 for premium gasoline, \$0.25 a barrel for diesel fuel and \$0.40 for heavy sludge.

Observers believe that the increase in crude prices is the result of greater demand from refiners as they see an improvement in refining margins due to higher prices on products as fall approaches.

Whatever the case, some uncertainty prevails concerning the firmness and continuation of the trend manifested this past week, inasmuch as the market has been relatively unstable this year. Prices have risen and fallen based on psychological considerations rather than any clear basis in real fact, as was the case in April, when the increase was due to reduced production in the British North Sea with its crude from Brent. An increase in Norwegian production compensated for that reduction.

In other words, real production in the area did not decline in physical terms, but the market still reacted favorably. Later on in June, when both British and Norwegian production fell and the supply from the area truly dropped, the market had the opposite reaction and prices were indeed affected.

It is also believed that Kuwait and the United Arab Emirates have begun to cut production, reducing their enormous surpluses. Information has circulated that Kuwait has already built up sufficient reserves to meet additional commitments in the months ahead with some 45 million barrels on hand. Consequently, it is reportedly ready to make substantial cuts in production. A similar situation is said to exist in the United Arab Emirates, also rumored to be in a position to cut production surpluses.

All of these factors would help keep oil prices at a high level at the end of the year and yield a satisfactory accumulative result. Analysts believe that economic factors would not be the only thing affecting supply and demand. Political factors would also enter in, pointing toward a favorable evolution in international relations as they affect Gulf countries.

The situation is encouraging for Venezuela inasmuch as prices for our export crude are about \$16. In other words, if last week's trend were to continue, the total package of our exports could improve in price due to the intervention of oil products and the results of international negotiations.

* Natural Gas Processing Plant To Be Built

33480277b Caracas EL NACIONAL in Spanish
22 Aug 89 p D9

[Article by Cayetano Ramirez]

[Excerpts] Following the successful experiment of the Anzoategui cryogenic plant, a complex with one section to extract liquids from natural gas located in San Joaquin, near the source, another to separate those liquids located in Jose on the coast, and a port for lighterage and export, plans are now being made to build a new extraction complex in Monagas.

The vast gas resources associated with medium- and light-weight crude oils in northern Monagas, whose estimated potential for 1994 is some 818 million cubic feet a day at a time when oil production in the area by Corpoven and Lagoven [subsidiaries of Petroven [Venezuelan Petroleum, Inc.]] may go over 400,000 barrels a day, have made it essential to build another plant to extract liquid hydrocarbons contained in associated natural gas.

Gas production in this oil-rich province will gradually rise from 391 million cubic feet a day at the present time to 818 million cubic feet in 1994. By that time, Corpoven's gas production will have gone from 239 to 590 million cubic feet, while Lagoven will go from 152 to 228 million cubic feet a day.

The extraction plant will be modular and begin with units to process some 400 million cubic feet a day, half the capacity of the San Joaquin cryogenic plant. The term "modular" means that more modules may be added to increase processing capacity based on requirements and the volume of gas produced, which may be greater than anticipated due to the high ratio of gas and oil in the zone.

Gas from northern Monagas will now be carried by a gas pipeline from Jusepin and the Anzoategui cryogenic plant, and a greater compression capacity will be installed at Muri and two other sites. To complete the infrastructure required to transmit gas generated, work will begin this year on the laying of a link with the Jusepin-Cryogenic pipeline and construction of a new compressing plant will begin in the El Tejero area in 1990. [passage omitted]

In medium-range terms, plans include construction of a new extracting plant whose design and location are now being defined. But the practical consideration of processing the gas near the production site and sending the liquid product by pipeline to the Jose plant—the location of the unit that separates the product into butanes, propane, pentane, and gasoline—along with the request

from Monagas residents, who do not want their hydrocarbons to be shipped out for processing elsewhere, indicate that this unit to extract liquids from natural gas will be in the oil zone near Maturin.

The Anzoategui Cryogenic Complex, which has its extracting units in San Joaquin and separating units in Jose, produced a total of 58.5 million barrels of liquid between the time it went into operation in 1985 and mid 1989. Of that total, 24 million barrels were exported and the remaining 34.5 million went to the domestic market to Pequiven [Petrochemical Company of Venezuela] as a consumable expenditure for various petrochemical products, Corpoven and other operators for gasoline, and finally, 15 percent headed for the national carboy market by truck.

New petrochemical projects of the Eastern Petrochemical Complex will indeed require enormous quantities of methane, butane, propane, and other products, necessitating an expansion of our current capacity to extract liquids for the ammoniac, MTBE [Methyl Tertiary Butyl Ether [fuel additive]], propylene, polypropylene, and methanol plants, which in turn will require an expansion of cryogenic plants in the gas region in the east.